DMA Form 2

DEFENSE MINERALS ADMINISTRATION
Status Change Notice

DMA Docket No. 1726-1

To: Reports and Records Branch

Dan Sheahan

From: LEAD ZINC BRANCH

Date: JUL 6 1951

The following action has been taken this date on the above Controlled Document.

Forwarded to _____

Type of request changed to:

_____

Denied ☐ Withdrawn ☐

Approved in amount of $ _____

Other action, specify:

Cancel

DMEA 1726 Dan Sheehan

Applicant still endeavoring to obtain required landlord's subordination agreement.

FILE COPY
SURNAME:

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

500 Keating

OCT 6 1952

Mr. Dan Sheahan
P. O. Box 68
Caliente, Nevada

Re: Docket No. DMA-1726X (Lead-Zinc)

Dear Mr. Sheahan:

This office wrote you September 16, 1952, requesting information as to your plans regarding your request for an exploration loan. To date we have received no reply to that letter, and assume that you are no longer interested in receiving exploration assistance from the Government. Therefore, your docket is being removed from the active file and sent to the closed files.

If, in the future, it should develop that you again wish to make application for exploration assistance, we will be pleased to consider your request.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

P.H. 10-6-52

AGKeating/bw
(written 10/3/52)
Copy to: Docket
Adm. R. File
Operating Committee
H. F. Keller (2)
A. G. Keating
Mr. Bishop
Mr. McKnight
Region III (2)
Chron.

FILE COPY
EO CHANGE

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

DME:mt:bw
(written 10/3/52)
Copy to: Docket
Adm. R. File
Operating Committee
R. F. Keller (2)
A. O. Keeting
F. Staley
F. Hollight
Region III (2)
Chron.

FILE COPY
SURNAME:

500

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

J. Johnson

SEP 18 1952

Mr. Dan Sheehan
P. O. Box 68
Caliente, Nevada

Re: Docket No. DMA-1726X (Lead-Zinc)

Dear Mr. Sheehan:

We have been advised by Mr. H. C. Miller, the Executive Officer of Region III of this Administration, that on July 15, he sent a letter to you inquiring whether or not you were still interested in obtaining Government aid on the exploration project proposed under the subject application.

Since you have not answered Mr. Miller's letter and apparently are unable to obtain the owner's signature on the subordination agreements which we requested in our letter of July 30, 1951, we assume that you are no longer interested in the application. If by October 1, we have not heard from you to the contrary, your application will be removed from the active files.

Sincerely yours,

C. O. Mittendorf (for) 9/16/52

Administrator

HFKeller/AGKeating/bjl (written 9/15/52)

Copy to: Docket
Admr. R. File
Operating Committee
H. F. Keller (2)
A. G. Keating
Mr. Bishop
Mr. McKnight
Region III (2)
Chron.

500

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

AUG 27 1952

Mr. Dan Sheahan
P. O. Box 68
Caliente, ~~California~~ Nevada

Re: Docket No. DMA-1726X (Lead-Zinc)
Groom Mine
Lincoln County, Nevada

Dear Mr. Sheahan:

We have been advised by Mr. H. C. Miller, the Executive Officer of Region III of this Administration, that on July 15, he sent a letter to you inquiring whether or not you were still interested in obtaining Government aid on the exploration project proposed under the subject application.

Since you have not answered Mr. Miller's letter and apparently are unable to obtain the owner's signature on the subordination agreements which we requested in our letter of July 30, 1951, we assume that you are no longer interested in the application. If by ~~September 15~~ October 1, 1952, we have not heard from you to the contrary, your application will be removed from the active files.

Sincerely yours,

C. O. Mitchenor

Acting Administrator

Sept 7 Returned insufficient address ~~as applicant had moved and left no forwarding address~~

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

OFFICIAL BUSINESS

Returned to Writer

REASON
Unclaimed
Unknown
Insufficient address
Moved, left no address
No such number in state
Do not remit in this envelope

WASHINGTON, D.C. 5
AUG 27
7-PM
1957

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300
(PMGC)

BUILD YOUR FUTURE
WISELY, SAFELY
U.S. SAVINGS BONDS

Mr. Dan Sheahan
P. O. Box 68
Caliente, California

CALIENTE
SEP 3
P.M.
1952
CALIF.

FILE COPY
SURNAME:

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

AUG 27 1952

Mr. Dan Sheahan
P. O. Box 68
Caliente, California

Re: Docket No. DMA-1726X (Lead-Zinc)
Groom Mine
Lincoln County, Nevada

Dear Mr. Sheahan:

We have been advised by Mr. H. C. Miller, the Executive Officer of Region III of this Administration, that on July 15, he sent a letter to you inquiring whether or not you were still interested in obtaining Government aid on the exploration project proposed under the subject application.

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Sincerely yours,

C. O. Mittendorf 8/27/52

Acting Administrator

HFKeller/bjl (written 8/26/52)

Copy to: Docket
Admr. R. File
Op. Committee
H. F. Keller (2)
Mr. Bishop
Mr. McKnight
Region III (2)
Chron.

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

Office of
Executive Officer
DMEA Field Team
Region III

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

August 15, 1952

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-1726X (Lead-Zinc) Dan Sheahan, Caliente, Nevada Groom Mine, Lincoln County, Nevada

As we have not received a reply from Mr. Dan Sheahan to our letter of July 15 (copy sent to your office), inquiring whether or not he was still interested in obtaining an exploration loan, we would suggest your transferring this application to the inactive files. Evidently, Mr. Sheahan has been unable to obtain the necessary consent from the owners of the property in which he is interested.

We are enclosing herewith the docket file submitted to us by your office on July 20, 1951, as there will probably be no further need for this document in our office.

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

Attachment

Copy to: E. H. Bailey, USGS

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
AUG 15 1952

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

Office of
Executive Officer
DMEA Field Team
Region III

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

August 15, 1952

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-1726X (Lead-Zinc) Dan Sheahan, Caliente, Nevada
Groom Mine, Lincoln County, Nevada

As we have not received a reply from Mr. Dan Sheahan to our letter of July 15 (copy sent to your office), inquiring whether or not he was still interested in obtaining an exploration loan, we would suggest your transferring this application to the inactive files. Evidently, Mr. Sheahan has been unable to obtain the necessary consent from the owners of the property in which he is interested.

We are enclosing herewith the docket file submitted to us by your office on July 20, 1951, as there will probably be no further need for this document in our office.

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

Attachment

Copy to: E. H. Bailey, USGS

DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 1[illegible]X

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

_____

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

JUL 19 1951

To: Coord. Committee Date _____

To: Region III Date 7/20/51

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

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

DEPARTMENT OF INTERIOR
BUREAU OF MINES
RECEIVED
JUL 23 1951
SAN FRANCISCO CALIFORNIA

JUL 20 1951

Mr. Harold C. Miller
1012 Flood Building
870 Market Street
San Francisco, California

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Docket No.. 1726 X

Commodity Lead-zinc

Applicant Dan Sheahan, P. O. Box 68, Caliente, Nevada

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review".

Very truly yours,

Tom Lyon
Chairman
Coordinating Committee

Lowell B. Moss
for Bureau of Mines

Olof R. Ross
for Geological Survey

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA-1726

Commodity Lead-Zinc

Total Amount $30,000

Govt. Participation 50%

1. Name and Address of Applicant Dan Shehan, P. O. Box 68, Caliente, California

2. Location of Property Groom Mine T. 7 S., R. 55 E., MDM, Lincoln County, Nevada

3. Mineral or metal Lead-silver-zinc Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None

d) Don't know—needs field examination X

e) Is there an alternative and favorable project? No
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? No

Does the lease have sufficient time to run to cover a future productive period? Don't know

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202 Yes

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? No

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

Is a field check needed on this point? No

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

Is this part a worthwhile exploration project? _____

d) Are the cost estimates detailed? No

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? No. Drilling costs appear high

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? No Yes

b) If so, are sufficient data furnished? _____ If so, attach a draft.

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? No If so, attach a draft.

c) Are rents and charges reasonable? Don't know

d) Is a field check needed? Yes

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No

14. Exhibit E (question 23-c)*

a) Is it applicable? No

b) Sufficient data?

c) Reasonable?

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Copies of each lease should be obtained as well as subordination agreements from each of the owners. Map showing proposed exploration work should be submitted

Reviewed by: Erwin J. Lyons - GS

Date 7-18-51

INT.-DUP. SEC., WASH., D.C. 99009

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

DEPARTMENT OF INTERIOR
BUREAU OF MINES
RECEIVED
JUL 23 1951
SAN FRANCISCO, CALIFORNIA

JUL 20 1951

Mr. Harold C. Miller
1012 Flood Building
870 Market Street
San Francisco, California

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Docket No.. 1726 X

Commodity Lead-zinc

Applicant Dan Sheahan, P. O. Box 68, Caliente, Nevada

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review".

Very truly yours,

Chairman
Coordinating Committee

Lowell B. Moon
for Bureau of Mines

Olaf N. Rove
for Geological Survey

McKnight

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA-1726

Commodity Lead-Zinc

Total Amount $30,000

Govt. Participation 50%

1. Name and Address of Applicant Dan Shehan, P. O. Box 68, Caliente, California

2. Location of Property Groom Mine T. 7 S., R. 55 E., MDM, Lincoln County, Nevada

3. Mineral or metal Lead-silver-zinc Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None

d) Don't know—needs field examination X

e) Is there an alternative and favorable project? No
(If so, attach an explanation)

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(question 5, 6, 7)*

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Does the lease have sufficient time to run to cover a future productive period? Don't know

*question numbers are those of MF-103

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a) MF-201? _____

b) MF-202 Yes

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? No

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

_____

Is a field check needed on this point? No

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No

_____

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

_____

_____

_____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? No

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? No. Drilling costs appear high

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? No

b) If so, are sufficient data furnished?_____ If so, attach a draft.

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? No If so, attach a draft.

c) Are rents and charges reasonable? Don't know

d) Is a field check needed? Yes

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No

14. Exhibit E (question 23-c)*

a) Is it applicable? No

b) Sufficient data?

c) Reasonable?

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Copies of each lease should be obtained as well as subordination agreements from each of the owners. Map showing proposed exploration work should be submitted

Reviewed by: Erwin J. Lyons - GS

Date 7-18-51

INT.-DUP. SEC., WASH., D.C. 99009

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-1726 X

Date received 6/25/51

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 25 1951
LINDSEY F. STROBEL
Executive Secretary

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

Name and address of applicant

Date June 16, 1951

FILL IN THIS BLOCK

Date of application June 16, 1951

Estimated cost $30,000.

Mineral or metal Lead-Zinc

Percentage of Government participation 50

Location of mine Lincoln County, Nevada

Groom District

Date of filing MF-100 June 16, 1951

DMA Docket Number, if available

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? see MF-100

*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. Copy of lease attached hereto

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 attached sheets

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.

GROOM MINE
(Name of company)

By Dan Sheahan
(Signature of authorized official)

June 16, 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

Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

TO ACCOMPANY FORM MF 103 JUNE 16, 1951

9. Applicant is prepared to invest $15,000. This is sufficient to pay for our share of the cost of the project.

10. (a) The real property involved in this project is:
Patented Claim White Lake & Conception, U. S. Lot 37
Patented Claim White Lake No. 2 & Conception No. 2, U.S. Lot38
Unpatented claims- Maria, Willow, June, East Side No. 1 and East Side No. 2.
All in the Groom Mining District, Lincoln County, Nevada, and and commonly known as the Groom Mine

(b) Same as above

16. Production records available to the applicant, which are not complete, show a total production of ore and concentrates shipped to the smelters amounting to 15,477 short tons containing 9,815,791 pounds of lead and 140,010 ounces silver.

19. The geology of this property is very similar to the lead-zinc mines in the pioche district, being in the middle and lower Cambrian series of limestone shales and quartzite. The limestone-shale section has a total thickness of 967 feet in this district. Most of the production so far has come from the upper limestone layer ("Lynden Limestone") and although mineralization is seen to extend into the underlying shale, it has not been followed to the next limestone bed. The formations are tilted to about 45° dipping Easterly, while the fissures are parallel to, and in the hanging wall of, a major North-South fault with westerly dip.

The purpose of this proposed exploration is to prospect some of the lower limestone layers by drill holes from the surface and by tunnel from our 200 foot level. At Pioche the lower limestone layers have been the most productive ones.

20. We would expect to find lead-zinc sulfide ore in the lower beds.

21 The proposed work is to consist of:
(a) Drilling a row of 5 churn drill holes starting at the present "Pit" orebody and progressing westward at 60 foot intervals, holes to be from 300 to 500 feet deep. Total footage to be drilled is 2000 ft. and total estimated cost is $12,000. Estimated time to complete is three months.
(b) Driving the present 200 ft level tunnel a distance of 720 feet to prospect under the present pit orebody and its northward and westward extension. This is estimated to cost $25. per foot or a total of $18,000. Estimated time to complete is seven months.

23. Drilling to be done by a independent contractor on a footage basis.

The cost of the tunnel work is estimated as follows:
(a) 2 miners @ 1.75 per hour base pay
1 Trammer operator and shopman @ 1.75 per hour
(b) Supervision to be by the applicant who will supervise the drilling, tunnel work and present production operation, with proportion of salary to be prorated to each job, amounting to $175. per month to each.

(c) Present facilities, including buildings and equipment are all in good condition,

(d) No additional construction is necessary.

(e) Estimated cost of small battery locomotive and battery charging set- $4,500.

(f) We do not plan to rent any equipment.

(g) $15. per day is considered a fair rental value of of present underground mining equipment and use of air compressor.

(h) Estimated cost of timber, where needed, is $4.50 per foot of tunnel.
Estimated cost of explosives is $1.67 per foot of tunnel.
Estimated cost of steel, bits and miscellaneous small items is $0.80 per foot of tunnel.

(i) Cost of supplies for operating air compressor is approximately $1.00 per hour. Water and utilities cost is approximately $4.00 per day.

24. From past experience we estimate the churn drilling should progress at about 25 feet per 8 hour shift, requiring about 80 shifts to complete. Monthly expenditure on drilling to be about $3,750.

The tunnel work, on a one shift per day basis, is expected to advance an average of 4 feet per shift, or about 100 feet monthly. This will require about $2,500. per month.

Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

June 16, 1951

Copy of lease to accompany Form MF-103

The attached copy of lease is typical of the four leases covering the four interests in the Groom property. The same attorney prepared all four leases at the same time, and the only difference in them is as follows:

1. Lease and option from William Wheatley to Dan Sheahan covering an undivided 1/10 interest in and to the same described property. Royalty is 1% of the smelter returns after paying a maximum of $7.00 per ton truck haul
   Total purchase price to be $7.500. payable $1,500 on or before July 1, 1951, $3,000. on or before July 1, 1952 and final payment by July 1, 1953.

2. Lease and option from Cora M. Poncin of Seattle Washington, Birdie E. Cline and Birdie L. Poncin of Coronado, California to Dan Sheahan, covering a 15/30 interest in the same described property. Royalty is to be 5% of the Smelter returns after $7. per ton truck haul
   Total purchase price to be $37,500., payable $12,500 on or before July 1, 1952, $12,500. by July 1, 1953 and $12,500. by July 1, 1954

3. Lease and option from T. J. Sheahan, Ben H. Sheahan and Dan Sheahan as Trustees for Elva Sheahan, to Dan Sheahan covering a 7/30 interest in the same described property. Royalty to be 7/30 of 10% payable as shown above.
   Total Purchase price to be $20,000. payable $2,000. on or before July 1, 1951; $6,000. on or before July 1, 1952 $6,000. by July 1, 1953 and final payment by July 1, 1954.

All of these lease are in good standing and royalty will take care of all obligations due before July 1, 1952.

LEASE AND OPTION AGREEMENT

THIS AGREEMENT, made and entered into at Pioche, in the County of Lincoln, State of Nevada, as of September 1, 1947, by and between Isabel O. Godbe, Trustee, in trust for and for the use and benefit of, the said Isabel O. Godbe, Amy O. Hartman, Louise O; Davies and Chas. D. Osborne, share and share alike, and for their respective heirs, herin called First party, and Dan Sheahan, of the city of Las Vegas, in the county of Clark, State of Nevada, herein called Second Patry,
WITNESSETH:

1. First Party herein is the owner, in possession and entitled to the possession of that certain undivided one-sixth interest in and to the mining property and premises known as the Groom Mines, hereinafter particularly described, formerly owned by her father, Thomas J. Osborne, Deceased, and distributed to her in trust, under and by virtue of that certain Decree of Distribution of the Estate of Thomas J. Osborne, deceased, entered in the Seventh Judicial District Court of the Stateeof Nevada, in and for the County of Lincoln, on April 28, 1947.

2. On the date of the entry of said Decree the interest of Said Thomas J. Osborne, deceased, in the said Groom Mines was subject to a lease and option agreement given to Dan Sheahan, Second Party herein, under date of July 1, 1946, with the approval of the said District Court endorsed thereon; but the said lease and option agreement was abandoned by said Dan Sheahan under date of July 1, 1947, and an Order was subsequently entered in said District Court canceling said agreement.

3. Second Party desires again to enter into a Lease and Option Agreement for the purchase of all the right, title, interest and estate of the said Thomas J Osborne, deceased, heretofore distributed to First Party herein.

4. For and in consideration of the sum of one Dollar, lawful money of the United States of America, to First Party in hand paid, the receipt whereof is hereby acknowledged, and in consideration of the faithful performance by Second Party of the covenants herein recited on his part to be kept and performed, First Party hereby leases and lets to Second Party the said undivided one-sixth interest in the Groom Mines heretofore owned by said Thomas J. Osborne, deceased, for a period commencing September 1, 1947, and expiring on July 1, 1951, unless sooner forfeited or terminated through default in any payment required herein or through violation or breach of any covenant herein recited on the part of second Party to be kept and performed; Second Party during such term to have the exclusive use and enjoyment of said mining premises and property to the full extent of the interest of First Party therein, subject to the following covenants:

(a) Second Party shall enter upon said described premises for the purpose of developing, mining, milling, treating and in every other manner handling ores theron and their contents, or conducting any other operation connected therewith, and at his own sole cost and expense, work, operate and develop the same in manner necessary for good and economical mining and so as to take out the greatest amount of ore possible, with due regard to the development and preservation of said premises as a workable mine.

(b) During the term of this lease Second Party shall ship from said premises, without unnecessary delay and under such reasonable contracts as First Party may approve, any and all ores heretofore extracted from siad premises but not yet shipped therefrom, also all ores which may be extracted from said premises by Second Party hereunder, which an intelligent miner would reasonably expect to yield a smelter return in excess of the cost of extracting, sorting and concentrating, and transportation, reduction and treatment charges thereon; and shall use reasonable diligence in saving for future handling any ore the shipment of which might be expected to yield such excess at some later date.

(c) SecondPatty shall pay or deliver or cause to be paid or delivered to First Party promptly after each settlement, a royalty of one and two-thirds per centum (1-2/3%) of the net smelter settlement on each shipment of ore from said premises; "net smelter settlement" being the amount of the smelter check after deduction of treatment, assay, railroad freight, and any actual and necessary truck haul charge on the ore; provided said deduction for truck haul shall in no event exceed Seven Dollars ($7.00) per ton of ore hauled, and each royalty payment shall be accompanied by carbon copy of original smelter settlement sheet.

(d) Second Party shall, at his own expense, cause to be performed during the term of this lease such annual assessment work as may be required by the Federal law to hold the five unpatented lode mining claims in the group, expressly including such assessment work for the annual period expiring at noon on July 1, 1948, and shall cause such proper proof thereof to be made as is or may hereafter be required by law.

(e) During the term hereof Second Party shall at his own expense pay, before the delinquent date, State, County and District taxes levied against the interest of First Party, commencing with taxes levied for the year 1947; provided, Second Party may, by filing with the County Clerk of Lincold County each year an affidavit of labor on the two patented mines, secure the exemption from payment of taxes thereon which is permitted by law.

(f) Commencing not later than October 1, 1947, and continuing during the term hereof, Second Party shall continuously develop the said mine and shall cause to be performed thereon for the benefit of all the co-owners at least one hundred (100) one-man shifts during each

calendar month.

5. Second Party reserves the right to relinquish this lease on the first day of any month subsequent to January 1, 1948, upon giving First Party notice not later than the first day of the month preceding such contemplated relinquishment. From and after the date of such relinquishment, Second Party shall be relieved of all further obligation hereunder except payment of agreed royalty on all oreshipments made, and shall have the right for a period of not more than thirty days after such relinquishment to remove from said premises any and all equipment and any and all machinery placed by him upon said premises during the term of this lease except timber or rails or pipe affixed to the premises.

6. In consideration of the acceptance of the foregoing lease, and the convenants recited in paragraph number 4, Second Party is hereby given the exclusive right and option to purchase all of the interest of First Party in said leased premises and property, for Twelve Thousand Five Hundred Dollars (12,500.00), to be paid to First Party in installments as follows: a payment of not less than Two Thousand Five Hundred Dollars ($2.500/00) on July 1, 1951, and additional installments of Five Thousand Dollars (5,000.00) annually not later than July 1 in each of the years 1952 and 1953; provided, all royalty payments shall be applicable on purchase price installments, and the payment of purchase price installments, when due in 1952 and 1953 respectively, shall automatically extend the term of this lease for one (1) year from due date, subject, however, to the continued performance by Second Party of the covenants recited in paragraph numbered 4 hereof.

7. During the term of this agreement Second Party shall save First Party harmless from any and all damages and causes of action that may arise or accrue by reason of any injury to any employee of Second Party or to any other person or persons by reason of negligence on the part of Second Party or otherwise. For the purpose of fully protecting First Party, Second Party, shall, prior to beginning operations hereunder, post and record in compliance with statue, notice that the demised premises are being operated by Second Party hereunder, and that neither First Party nor the demised premises will be responsible to any person or persons for any labor done or any supplies or materials furnished in connection with operations hereunder; and Second Party shall also accept the provisions of the Nevada Industrial Insurance Act, and the Nevada Occupational Diseases Act. Second Party shall also save the demised premises free of liability on any Federal lien resulting from the operations of SecondParty hereunder.

8. Second Party shall have the right to pay any one or more of the purchase price installments in advance of the due date thereof, and upon full payment of the first installment of the purchase price First Party will place in escrow with a Third Party, acceptable to First Party and Second Party, a good and sufficient grant, bargain and sale deed, which will convey to Second Party good and marketable title to the interest of First Party herein described, and will deliver such deed to such escrow agent at as early a date as possible, with appropriate instructions for the delivery of said deed to Second Party upon full performance by Second Party of his covenants hereunder and full payment of purchase price.

9. It is agreed that time is of the essence of this agreement, and that upon failure of Second Party to perform, or commence in good faith to perform, any of the covenants of the lease, other than covenants for the paument of money to First Party, within a period of thirty days after date of mailing of notice to Second Party stating in general terms the failure to which First Party objects, or upon failure of SecondParty to make,

promptly when due, any payment of money required to be made to First Party under the terms of the lease or the option, the lease shall at the option of First Party thereupon terminate and the option shall concurrently terminate, and Second Party agrees that any such default on his part shall effect not only a cancellation of the lease and option but also a forfeiture to First Party of any and all payments made by Second Party to First Party hereunder, as rental for the demised premises and not as a penalty. It is further agreed that no provision in this agreement shall be construed to limit the right of First Party to demand and enforce the payment of earned royalty.

10. Notice when given hereunder shall be given by registered letter, postpaid, addressed if by First Party to DaneSheahan, 104 South Seventh Street, Las Vegas, Nevada, and if by Second Party to Isabel O. Godbe, Trustee, Pioche, Nevada, and shall be deemed complete upon the date of mailing shown by registry receipt. Notice of change of address shall be given in like manner.

11. It is agreed that First Party shall have the right at any and all reasonable times, in person or by agent, to inspect the demised premises and any and all records and data affecting the interests of First Party hereunder; and that no waiver by First Party of the performance of any covenant hereof by Second Party shall constitute or effect a waiver thereof as applied to any other obligation of Second Party hereunder.

12. This Agreement shall inure to and bind the successors and assigns of First Party and the assigns, heirs, executors and administrators of Second Party.

13. The interest in the Groom Mineshereby demised is particularly described as follows: an undivided one-sixth (1/6) interest in and to mines, mining claims and mining property situated in the Groom Mining District, in the County of Lincold, State of Nevada, consisting of the WHITE LAKE AND CONCEPTION patented as U. S. Lot no. 37; the WHITE LAKE NO. 2 AND CONCE PTION NO. 2, patented as U. S. Lot no.38; the unpatented MARIA, WILLOW, EAST SIDE NO. 1, EAST SIDE NO.2 and JUNE lode mining claims as same are more particularly described in patents and location notices on file in the office of the County Recorder of said LincoldCounty; together with all improvements and appurtenances and all ores therein or thereon, and any and all water rights held in connection therewith.

IN WITNESS WHEREOF this Agreement has been fully executed in triplicate by the parties hereto as of the date herein first written.

(Signed) Isabel O. Godbe, Trustee
First Party

(Signed) Dan Sheahan
Second Party

Dan Sheahan
Groom Mine
P..O. Box 68
Caliente, Nevada

BALANCE SHEET - MAY 31, 1951

ASSETS		
Cash in Bank		$12,430.24
Due From Smelter		10,002.48
Other Accounts Receivable		549.20
Material & Supplies		725.00
Machinery and Equipment 32,880.61 Less Res. for Depreciatn 15,019.11		17,861.50
Real Estate		5,275.00
Mine Development 28,200.00 Less Reserve for Depletion 20,799.86		7,400.14
		$54,243.56
Partnership		$ 30,718.90
LIABILITIES		
Supplier's Bills Payable		1,236.28
Wages payable		525.64
Ore Hauling Payable		460.25
Reserve for Taxes		502.60
Profit & Loss		20,799.89
		$54,243.56

Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

Statement of Profit & Loss for 5 months period ended May 31, 1951

Gross Smelter value of ore sold-		$40,764.63
Expenses		
Smelting Charges	$ 4,337.30	
Assaying	69.00	
R. R. Freight	1,908.06	
Ore Hauling to Railroad	3,397.21	
Royalty	3,070.34	
Labor	7,887.10	
Supplies	5,294.75	
Repairs	967.23	
Industrial Insurance	294.06	
Camp and Boarding House	455.01	
Auto & Travel	463.20	
General Expense	206.85	
Taxes	503.35	
Insurance on equipment	253.41	
Depreciation	2,049.47	
Depletion	4,804.15	
Profit	4,804.14	
	$40,764.63	$40,764.63

Form MF-100
(May 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 - 1726 X

Date received 6/25/51

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 25 1951
LANDON F. STROBEL
Executive Secretary

Name and address of applicant

Date June 16, 1951

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) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) 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.

GENERAL TECHNICAL DATA

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

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products? Lead ore and concentrates
   (*b*) What are the byproducts, if any?
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:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts. See the attached sheet
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point. 86 miles SW from Caliente, Nev.
   (*b*) Mining district. Groom
   (*c*) Township, Section, Range. T 7 S, Range 55 E MDM, unsurveyed
   (*d*) County, State. Lincoln County, Nevada
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated. Now being operated by Dan Sheahan & M. R. Sheahan
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☒ Lessee.
   - ☐ Contractor.
5. Number of years in production 9 under the present operator

   If not in production or operation, estimated date when production will begin
6. Experience of operators: See the attached sheet

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
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.
   (*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.

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)
Dan Sheahan	Partner						
M. R. Sheahan	Partner						
	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	$	$	$		
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.) Short tons	Lead Ore	4065	1640	2731	600
2. Quantity of product processed (specify unit of measure and type of process) Gravity & Flotation		4065	1640	2731	600
3. Quantity and grade of product sold or shipped (specify units of measure) Short tons	Ore & Conc.	551 of 31% Pb	166 of 60% Pb	126 of 65% Pb	25 of 65% Pb

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. Possibly, under more favorable market conditions

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. Ore bodies have been mainly a[illegible]replacement in limestone. Present orebody [illegible] in shale lying in the foot wall of the main limestone bed, and is being mined by open pit.

16—63702-1

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

TO ACCOMPANY FORM MF-100 JUNE 16, 1951

2. Property is Groom Mine and Mill, Lincoln County, Nevada
   (a) 200' linear feet of shaft
   (b) 2500 ft of drifts and crosscuts
   (c) 2435 ft of adit tunnels
   (d) 600 ft of raises and winzes

6. The applicant has had 25 years experience in mining and milling, 10 years as superintendent of operations for International Mining Corporation in Pioche,Nevada; Kingman,Arizona; New Brunswick, Canada; and at this Groom property.

7. History:
   (a) The property has been operated intermittently since 1864. It has been shut down during periods of low metal prices, but has been operated in a small way at all other times. In 1945 a small amount of drilling exploration work was done by International Mining Corporation. This work found two orebodies in shale averaging between 4 and 5% lead which were considered too low grade at the time. One of these bodies is now being mined by open pit by the applicant. There are several favorable ore horizons underneath which have not been explored.

   (b) One other property in the district has produced a few hundred tons of lead ore. This is called the Black Metal.

17. Equipment and Facilities:

Mill:
Crushing plant of capacity 10 tons per hr to 3/4"
Ball mill and Flotation capacity of 2 tons per hr.
Jigs and Tables with capacity of 5 tons per hr.
This plant is all electric drive, with power generated by D-13,000 Caterpillar Diesel - 75 KW.

Mine:
The present open pit orebody is being drilled by Ingersol-Rand Wagon Drill with air furnished by 214 cu ft Joy compressor driven by a Buda gasoline engine. Loading into trucks is done by Hough-International TD 9 Dozer-Shovel.
Underground mining equipment consists of the usual line of rock drills, ore cars, pipe,track etc and a slusher hoist.
In the shop we have an arc welder, acetylene welding and cutting outfit, forge, grinder and general shop tools.
All equipment is in good condition

Camp: Camp buildings include a bunk house, boarding house, office, four 2 room cabins and seven one room cabins.

(*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) Short tons	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)	30,000	5% Pb	15.50	10.85	8.50
Indicated (probable)	40,000	4% Pb	10.80	7.56	8.50

(*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.

(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. Road is 86 miles from Caliente, Nevada; 46 miles on US Highway 93, then 41 miles of good graded road to the mine

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year. Water is from a well making 30 gal per min all year

15. Power:

State amount of power used, rate per hour, and source thereof. Power is generated by Diesel-Electric Set, 75 KW. Air Compressor driven by gasoline engine.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period. 2 miners and 2 millmen

17. Equipment and Facilities: See the attached sheet

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

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.

GROOM MINE
(Name of company)

By Dan Sheahan
(Signature of authorized official)

June 16, 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.

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

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-1726X

Date received 6/25/51

Participation

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION IV
RECEIVED
JUL 23 1951
SAN FRANCISCO, CALIFORNIA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 25 1951
LANDON F. STROBEL
Executive Secretary

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

Name and address of applicant

Date June 16, 1951

FILL IN THIS BLOCK

Date of application June 16, 1951

Estimated cost $30,000.

Mineral or metal Lead-Zinc

Percentage of Government participation 50

Location of mine Lincoln County, Nevada

Groom District

Date of filing MF-100 June 16, 1951

DMA Docket Number, if available

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? see MF-100

*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. Copy of lease attached hereto

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 attached sheets

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.

GROOM MINE
(Name of company)

By Dan Sheehan
(Signature of authorized official)

June 16, 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

Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

TO ACCOMPANY FORM MP 103 JUNE 16, 1951

9. Applicant is prepared to invest $15,000. This is sufficient to pay for our share of the cost of the project.

10. (a) The real property involved in this project is:
Patented Claim White Lake & Conception, U. S. Lot 37
Patented Claim White Lake No. 2 & Conception No. 2, U.S. Lot38
Unpatented claims- Maria, Willow, June, East Side No. 1 and East Side No. 2.
All in the Groom Mining District, Lincoln County, Nevada, and and commonly known as the Groom Mine

(b) Same as above

16. Production records available to the applicant, which are not complete, show a total production of ore and concentrates shipped to the smelters amounting to 15,477 short tons containing 9,815,791 pounds of lead and 140,010 ounces silver.

19. The geology of this property is very similar to the lead-zinc mines in the Pioche district, being in the middle and lower Cambrian series of limestone shales and quartzite. The limestone-shale section has a total thickness of 967 feet in this district. Most of the production so far has come from the upper limestone layer ("Lynden Limestone") and although mineralization is seen to extend into the underlying shale, it has not been followed to the next limestone bed. The formations are tilted to about 45° dipping Easterly, while the fissures are parallel to, and in the hanging wall of, a major North-South fault with westerly dip.

The purpose of this proposed exploration is to prospect some of the lower limestone layers by drill holes from the surface and by tunnel from our 200 foot level. At Pioche the lower limestone layers have been the most productive ones.

20. We would expect to find lead-zinc sulfide ore in the lower beds.

21 The proposed work is to consist of:
(a) Drilling a row of 5 churn drill holes starting at the present "Pit" orebody and progressing westward at 60 foot intervals, holes to be from 300 to 500 feet deep. Total footage to be drilled is 2000 ft. and total estimated cost is $12,000. Estimated time to complete is three months.
(b) Driving the present 200 ft level tunnel a distance of 720 feet to prospect under the present pit orebody and its northward and westward extension. This is estimated to cost $25. per foot or a total of $18,000. Estimated time to complete is seven months.

23. Drilling to be done by a independent contractor on a footage basis.

The cost of the tunnel work is estimated as follows:
(a) 2 miners @ 1.75 per hour base pay
1 Trammer operator and shopman @ 1.75 per hour
(b) Supervision to be by the applicant who will supervise the drilling, tunnel work and present production operation, with proportion of salary to be prorated to each job, amounting to $175. per month to each.

(c) Present facilities, including buildings and equipment are all in good condition,

(d) No additional construction is necessary.

(e) Estimated cost of small battery locomotive and battery charging set- $4,500.

(f) We do not plan to rent any equipment.

(g) $15. per day is considered a fair rental value of of present underground mining equipment and use of air compressor.

(h) Estimated cost of timber, where needed, is $4.50 per foot of tunnel.
Estimated cost of explosives is $1.67 per foot of tunnel.
Estimated cost of steel, bits and miscellaneous small items is $0.80 per foot of tunnel.

(i) Cost of supplies for operating air compressor is approximately $1.00 per hour. Water and utilities cost is approximately $4.00 per day.

24. From past experience we estimate the churn drilling should progress at about 25 feet per 8 hour shift, requiring about 80 shifts to complete. Monthly expenditure on drilling to be about $3,750.

The tunnel work, on a one shift per day basis, is expected to advance an average of 4 feet per shift, or about 100 feet monthly. This will require about $2,500. per month.

Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

June 16, 1951

Copy of lease to accompany Form MF-103

The attached copy of lease is typical of the four leases covering the four interests in the Groom property. The same attorney prepared all four leases at the same time, and the only difference in them is as follows:

1. Lease and option from William Wheatley to Dan Sheahan covering an undivided 1/10 interest in and to the same described property. Royalty is 1% of the smelter returns after paying a maximum of $7.00 per ton truck haul
   Total purchase price to be $7.500. payable $1,500 on or before July 1, 1951, $3,000. on or before July 1, 1952 and final payment by July 1, 1953.

2. Lease and option from Cora M. Poncin of Seattle Washington, Birdie E. Cline and Birdie L. Poncin of Coronado California to Dan Sheahan, covering a 15/30 interest in the same described property. Royalty is to be 5% of the smelter returns after $7. per ton truck haul
   Total purchase price to be $37,500., payable $13,500 on or before July 1, 1952, $12,500. by July 1, 1953 and $12,500. by July 1, 1954

3. Lease and option from T. J. Sheahan, Ben H. Sheahan and Dan Sheahan as Trustees for Elva Sheahan, to Dan Sheahan covering a 7/30 interest in the same described property. Royalty to be 7/30 of 10% payable as shown above.
   Total Purchase price to be $20,000. payable $2,000. on or before July 1, 1951; $6,000. on or before July 1, 1952 $6,000. by July 1, 1953 and final payment by July 1, 1954.

All of these lease are in good standing and royalty will take care of all obligations due before July 1, 1952.

LEASE AND OPTION AGREEMENT

THIS AGREEMENT, made and entered into at Pioche, in the County of Lincoln, State of Nevada, as of September 1, 1947, by and between Isabel O. Godbe, Trustee, in trust for and for the use and benefit of, the said Isabel O. Godbe, Amy O. Hartman, Louise O; Davies and Chas. D. Osborne, share and share alike, and for their respective heirs, herin called First party, and Dan Sheahan, of the city of Las Vegas, in the county of Clark, State of Nevada, herein called Second Patry,
WITNESSETH:

1. First Party herein is the owner, in possession and entitled to the possession of that certain undivided one-sixth interest in and to the mining property and premises known as the Groom Mines, hereinafter particularly described, formerly owned by her father, Thomas J. Osborne, Deceased, and distributed to her in trust, under and by virtue of that certain Decree of Distribution of the Estate of Thomas J. Osborne, deceased, entered in the Seventh Judicial District Court of the Stateeof Nevada, in and for the County of Lincoln, on April 28, 1947.

2. On the date of the entry of said Decree the interest of Said Thomas J. Osborne, deceased, in the said Groom Mines was subject to a lease and option agreement given to Dan Sheahan, Second Party herein, under date of July 1, 1946, with the approval of the said District Court endorsed thereon; but the said lease and option agreement was abandoned by said Dan Sheahan under date of July 1, 1947, and an Order was subsequently entered in said District Court canceling said agreement.

3. Second Party desires again to enter into a Lease and Option Agreement for the purchase of all the right, title, interest and estate of the said Thomas J Osborne, deceased, heretofore distributed to First Party herein.

4. For and in consideration of the sum of one Dollar, lawful money of the United States of America, to First Party in hand paid, the receipt whereof is hereby acknowledged, and in consideration of the faithful performance by Second Party of the covenants herein recited on his part to be kept and performed, First Party hereby leases and lets to Second Party the said undivided one-sixth interest in the Groom Mines heretofore owned by said Thomas J. Osborne, deceased, for a period commencing September 1, 1947, and expiring on July 1, 1951, unless sooner forfeited or terminated through default in any payment required herein or through violation or breach of any covenant herein recited on the part of second Party to be kept and performed; Second Party during such term to have the exclusive use and enjoyment of said mining premises and property to the full extent of the interest of First Party therein, subject to the following covenants:

(a) Second Party shall enter upon said described premises for the purpose of developing, mining, milling, treating and in every other manner handling ores theron and their contents, or conducting any other operation connected therewith, and at his own sole cost and expense, work, operate and develop the same in manner necessary for good and economical mining and so as to take out the greatest amount of ore possible, with due regard to the development and preservation of said premises as a workable mine.

(b) During the term of this lease Second Party shall ship from said premises, without unnecessary delay and under such reasonable contracts as First Party may approve, any and all ores heretofore extracted from siad premises but not yet shipped therefrom, also all ores which may be extracted from said premises by Second Party hereunder, which an intelligent miner would reasonably expect to yield a smelter return in excess of the cost of extracting, sorting and concentrating, and transportation, reduction and treatment charges thereon; and shall use reasonable diligence in saving for future handling any ore the shipment of which might be expected to yield such excess at some later date.

(c) SecondParty shall pay or deliver or cause to be paid or delivered to First Party promptly after each settlement, a royalty of one and two-thirds per centum (1-2/3%) of the net smelter settlement on each shipment of ore from said premises; "net smelter settlement" being the amount of the smelter check after deduction of treatment, assay, railroad freight, and any actual and necessary truck haul charge on the ore; provided said deduction for truck haul shall in no event exceed Seven Dollars ($7.00) per ton of ore hauled, and each royalty payment shall be accompanied by carbon copy of original smelter settlement sheet.

(d) Second Party shall, at his own expense, cause to be performed during the term of this lease such annual assessment work as may be required by the Federal law to hold the five unpatented lode mining claims in the group, expressly including such assessment work for the annual period expiring at noon on July 1, 1948, and shall cause such proper proof thereof to be made as is or may hereafter be required by law.

(e) During the term hereof Second Party shall at his own expense pay, before the delinquent date, State, County and District taxes levied against the interest of First Party, commencing with taxes levied for the year 1947; provided, Second Party may, by filing with the County Clerk of Lincold County each year an affidavit of labor on the two patented mines, secure the exemption from payment of taxes thereon which is permitted by law.

(f) Commencing not later than October 1, 1947, and continuing during the term hereof, Second Party shall continuously develop the said mine and shall cause to be performed thereon for the benefit of all the co-owners at least one hundred (100) one-man shifts during each

calendar month.

5. Second Party reserves the right to relinquish this lease on the first day of any month subsequent to January 1, 1948, upon giving First Party notice not later than the first day of the month preceding such contemplated relinquishment. From and after the date of such relinquishment, Second Party shall be relieved of all further obligation hereunder except payment of agreed royalty on all oreshipments made, and shall have the right for a period of not more than thirty days after such relinquishment to remove from said premises any and all equipment and any and all machinery placed by him upon said premises during the term of this lease except timber or rails or pipe affixed to the premises.

6. In consideration of the acceptance of the foregoing lease, and the convenants recited in paragraph number 4, Second Party is hereby given the exclusive right and option to purchase all of the interest of First Party in said leased premises and property, for Twelve Thousand Five Hundred Dollars (12,500.00), to be paid to First Party in installments as follows: a payment of not less than Two Thousand Five Hundred Dollars ($2.500/00) on July 1, 1951, and additional installments of Five Thousand Dollars (5,000.00) annually not later than July 1 in each of the years 1952 and 1953; provided, all royalty payments shall be applicable on purchase price installments, and the payment of purchase price installments, when due in 1952 and 1953 respectively, shall automatically extend the term of this lease for one (1) year from due date, subject, however, to the continued performance by Second Party of the covenants recited in paragraph numbered 4 hereof.

7. During the term of this agreement Second Party shall save First Party harmless from any and all damages and causes of action that may arise or accrue by reason of any injury to any employee of Second Party or to any other person or persons by reason of negligence on the part of Second Party or otherwise. For the purpose of fully protecting First Party, Second Party, shall, prior to beginning operations hereunder, post and record in compliance with statue, notice that the demised premises are being operated by Second Party hereunder, and that neither First Party nor the demised premises will be responsible to any person or persons for any labor done or any supplies or materials furnished in connection with operations hereunder; and Second Party shall also accept the provisions of the Nevada Industrial Insurance Act, and the Nevada Occupational Diseases Act. Second Party shall also save the demised premises free of liability on any Federal lien resulting from the operations of SecondParty hereunder.

8. Second Party shall have the right to pay any one or more of the purchase price installments in advance of the due date thereof, and upon full payment of the first installment of the purchase price First Party will place in escrow with a Third Party, acceptable to First Party and Second Party, a good and sufficient grant, bargain and sale deed, which will convey to Second Party good and marketable title to the interest of First Party herein described, and will deliver such deed to such escrow agent at as early a date as possible, with appropriate instructions for the delivery of said deed to Second Party upon full performance by Second Party of his covenants hereunder and full payment of purchase price.

9. It is agreed that time is of the essence of this agreement, and that upon failure of Second Party to perform, or commence in good faith to perform, any of the covenants of the lease, other than covenants for the paument of money to First Party, within a period of thirty days after date of mailing of notice to Second Party stating in general terms the failure to which First Party objects, or upon failure of SecondParty to make,

promptly when due, any payment of money required to be made to First Party under the terms of the lease or the option, the lease shall at the option of First Party thereupon terminate and the option shall concurrently terminate, and Second Party agrees that any such default on his part shall effect not only a cancellation of the lease and option but also a forfeiture to First Party of any and all payments made by Second Party to First Party hereunder, as rental for the demised premises and not as a penalty. It is further agreed that no provision in this agreement shall be construed to limit the right of First Party to demand and enforce the payment of earned royalty.

10. Notice when given hereunder shall be given by registered letter, postpaid, addressed if by First Party to DaneSheahan, 104 South Seventh Street, Las Vegas, Nevada, and if by Second Party to Isabel O. Godbe, Trustee, Pioche, Nevada, and shall be deemed complete upon the date of mailing shown by registry receipt. Notice of change of address shall be given in like manner.

11. It is agreed that First Party shall have the right at any and all reasonable times, in person or by agent, to inspect the demised premises and any and all records and data affecting the interests of First Party hereunder; and that no waiver by First Party of the performance of any covenant hereof by Second Party shall constitute or effect a waiver thereof as applied to any other obligation of Second Party hereunder.

12. This Agreement shall inure to and bind the successors and assigns of First Party and the assigns, heirs, executors and administrators of Second Party.

13. The interest in the Groom Mineshereby demised is particularly described as follows: an undivided one-sixth (1/6) interest in and to mines, mining claims and mining property situated in the Groom Mining District, in the County of Lincold, State of Nevada, consisting of the WHITE LAKE AND CONCEPTION; patented as U. S. Lot no. 37; the WHITE LAKE NO. 2 AND CONCE PTION NO. 2, patented as U. S. Lot no.38; the unpatented MARIA, WILLOW, EAST SIDE NO. 1, EAST SIDE NO.2 and JUNE lode mining claims as same are more particularly described in patents and location notices on file in the office of the County Recorder of said LincoldCounty; together with all improvements and appurtenances and all ores therein or thereon, and any and all water rights held in connection therewith.

IN WITNESS WHEREOF this Agreement has been fully executed in triplicate by the parties hereto as of the date herein first written.

(Signed) Isabel O. Godbe, Trustee
First Party

(Signed) Dan Sheahan
Second Party

Dan Sheahan
Groom Mine
P..O. Box 68
Caliente, Nevada

BALANCE SHEET - MAY 31, 1951

ASSETS		
Cash in Bank		$12,450.24
Due From Smelter		10,002.48
Other Accounts Receivable		549.20
Material & Supplies		725.00
Machinery and Equipment 32,880.61 Less Res. for Depreciatn 15,019.11		17,861.50
Real Estate		5,275.00
Mine Development Less Reserve for Depletion	28,200.00 20,799.86	7,400.14
		$54,243.56
Partnership		$ 30,718.90
LIABILITIES		
Supplier's Bills Payable		1,256.28
Wages payable		525.54
Ore Hauling Payable		460.25
Reserve for Taxes		502.60
Profit & Loss		20,799.89
		$54,243.56

Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

Statement of Profit & Loss for 5 months period ended May 31, 1951

Gross Smelter value of ore sold-		$40,764.63
Expenses		
Smelting Charges	$ 4,337.30	
Assaying	69.00	
R. R. Freight	1,908.06	
Ore Hauling to Railroad	3,397.21	
Royalty	3,070.34	
Labor	7,887.10	
Supplies	5,294.75	
Repairs	967.23	
Industrial Insurance	232.06	
Camp and Boarding House	455.01	
Auto & Travel	463.20	
General Expense	206.85	
Taxes	505.35	
Insurance on equipment	253.41	
Depreciation	2,049.47	
Depletion	4,804.15	
Profit	4,804.14	
	$40,764.63	$40,764.63

Form MF-100
(May 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-1726X

Date received 6/25/51

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 25 1951
LANDON F. STROBEL
Executive Secretary

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

Name and address of applicant

Date June 16, 1951

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) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) 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.

GENERAL TECHNICAL DATA

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

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products? Lead ore and concentrates
   (*b*) What are the byproducts, if any?
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:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts. See the attached sheet
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point. 86 miles SW from Caliente, Nev.
   (*b*) Mining district. Groom
   (*c*) Township, Section, Range. T 7 S, Range 55 E MDM, unsurveyed
   (*d*) County, State. Lincoln County, Nevada
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated. Now being operated by Dan Sheahan & M. R. Sheahan
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☒ Lessee.
   - ☐ Contractor.
5. Number of years in production 9 under the present operator

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators: See the attached sheet

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
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.
   (*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.

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)
Dan Sheahan	Partner						
M. R. Sheahan	Partner						
	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	$	$	$		
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.) Short tons	Lead Ore	4065	1640	2731	600
2. Quantity of product processed (specify unit of measure and type of process) Gravity & Flotation		4065	1640	2731	600
3. Quantity and grade of product sold or shipped (specify units of measure) Short tons	Ore & Conc.	551 of 31% Pb	166 of 60% Pb	126 of 65% Pb	25 of 65% Pb

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. Possibly, under more favorable market conditions

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. Ore bodies have been mainly as replacement in limestone. Present orebody is in shale lying in the foot wall of the main limestone bed, and is being mined by open pit.

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

TO ACCOMPANY FORM MF-100 JUNE 16, 1951

2. Property is Groom Mine and Mill, Lincoln County, Nevada
   (a) 200' linear feet of shaft
   (b) 2500 ft of drifts and crosscuts
   (c) 2435 ft of adit tunnels
   (d) 600 ft of raises and winzes

6. The applicant has had 25 years experience in mining and milling, 10 years as superintendent of operations for International Mining Corporation in Pioche, Nevada; Kingman, Arizona; New Brunswick, Canada; and at this Groom property.

7. History:
   (a) The property has been operated intermittently since 1864. It has been shut down during periods of low metal prices, but has been operated in a small way at all other times. In 1945 a small amount of drilling exploration work was done by International Mining Corporation. This work found two orebodies in shale averaging between 4 and 5% lead which were considered too low grade at the time. One of these bodies is now being mined by open pit by the applicant. There are several favorable ore horizons underneath which have not been explored.

   (b) One other property in the district has produced a few hundred tons of lead ore. This is called the Black Metal.

17. Equipment and Facilities:

Mill:
Crushing plant of capacity 10 tons per hr to 3/4"
Ball mill and Flotation capacity of 2 tons per hr.
Jigs and Tables with capacity of 5 tons per hr.
This plant is all electric drive, with power generated by D-13,000 Caterpillar Diesel - 75 KW.

Mine:
The present open pit orebody is being drilled by Ingersol-Rand Wagon Drill with air furnished by 214 cu ft Joy compressor driven by a Buda gasoline engine. Loading into trucks is done by Hough-International TD 9 Dozer-Shovel.
Underground mining equipment consists of the usual line of rock drills, ore cars, pipe, track etc and a slusher hoist.
In the shop we have an arc welder, acetylene welding and cutting outfit, forge, grinder and general shop tools.
All equipment is in <u>good</u> condition

Camp: Camp buildings include a bunk house, boarding house, office, four 2 room cabins and seven one room cabins.

(*b*) If deposit is other than pl[illegible]:

(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) Short tons	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)	30,000	5% Pb	15.50	10.85	8.50
Indicated (probable)	40,000	4% Pb	10.80	7.56	8.50

(*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.

(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. Road is 86 miles from Caliente, Nevada; 46 miles on US Highway 93, then 41 miles of good graded road to the mine

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.
Water is from a well making 30 gal per min all year

15. Power:

State amount of power used, rate per hour, and source thereof. Power is generated by Diesel-Electric Set, 75 KW. Air Compressor driven by gasoline engine.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.
2 miners and 2 millmen

17. Equipment and Facilities: See the attached sheet

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

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.

GROOM MINE
(Name of company)

By Dan Sheahan
(Signature of authorized official)

June 16, 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.

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

Form MF-100
(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-1726X

Date received 6/25/51

Participation

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
JUL 23 1951
SAN FRANCISCO, CALIFORNIA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 25 1951
LANDON F. STROBEL
Executive Secretary

Name and address of applicant

Date June 16, 1951

FILL IN THIS BLOCK

Date of application June 16, 1951

Estimated cost $30,000.

Mineral or metal Lead-Zinc

Percentage of Government participation 50

Location of mine Lincoln County, Nevada
Groom District

Date of filing MF-100 June 16, 1951

DMA Docket Number, if available

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? see MF-100
*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. Copy of lease attached hereto

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 attached sheets

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.

GROOM MINE
(Name of company)

By Dan Sheahan
(Signature of authorized official)

June 16, 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

Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

TO ACCOMPANY FORM MF 103 JUNE 16, 1951

9. Applicant is prepared to invest $15,000. This is sufficient to pay for our share of the cost of the project.

10. (a) The real property involved in this project is:
Patented Claim White Lake & Conception, U. S. Lot 37
Patented Claim White Lake No. 2 & Conception No. 2, U.S. Lot38
Unpatented claims- Maria, Willow, June, East Side No. 1 and East Side No. 2.
All in the Groom Mining District, Lincoln County, Nevada, and and commonly known as the Groom Mine

(b) Same as above

16. Production records available to the applicant, which are not complete, show a total production of ore and concentrates shipped to the smelters amounting to 15,477 short tons containing 9,815,791 pounds of lead and 140,010 ounces silver.

19. The geology of this property is very similar to the lead-zinc mines in the pioche district, being in the middle and lower Cambrian series of limestone shales and quartzite. The limestone-shale section has a total thickness of 967 feet in this district. Most of the production so far has come from the upper limestone layer ("Lynden Limestone") and although mineralization is seen to extend into the underlying shale, it has not been followed to the next limestone bed. The formations are tilted to about 45° dipping Easterly, while the fissures are parallel to, and in the hanging wall of, a major North-South fault with westerly dip.

The purpose of this proposed exploration is to prospect some of the lower limestone layers by drill holes from the surface and by tunnel from our 200 foot level. At Pioche the lower limestone layers have been the most productive ones.

20. We would expect to find lead-zinc sulfide ore in the lower beds.

21 The proposed work is to consist of:
(a) Drilling a row of 5 churn drill holes starting at the present "Pit" orebody and progressing westward at 60 foot intervals, holes to be from 300 to 500 feet deep. Total footage to be drilled is 2000 ft. and total estimated cost is $12,000. CK. Estimated time to complete is three months.
(b) Driving the present 200 ft level tunnel a distance of 720 feet to prospect under the present pit orebody and its northward and westward extension. This is estimated to cost $25. per foot or a total of $18,000. Estimated time to complete is seven months.

23. Drilling to be done by a independent contractor on a footage basis.

The cost of the tunnel work is estimated as follows:
(a) 2 miners @ 1.75 per hour base pay
1 Trammer operator and shopman @ 1.75 per hour
(b) Supervision to be by the applicant who will supervise the drilling, tunnel work and present production operation, with proportion of salary to be prorated to each job, amounting to $175. per month to each.

(c) Present facilities, including buildings and equipment are all in good condition,

(d) No additional construction is necessary.

(e) Estimated cost of small battery locomotive and battery charging set- $4,500.

(f) We do not plan to rent any equipment.

(g) $15. per day is considered a fair rental value of of present underground mining equipment and use of air compressor.

(h) Estimated cost of timber, where needed, is $4.50 per foot of tunnel.
Estimated cost of explosives is $1.67 per foot of tunnel.
Estimated cost of steel, bits and miscellaneous small items is $0.80 per foot of tunnel.

(i) Cost of supplies for operating air compressor is approximately $1.00 per hour. Water and utilities cost is approximately $4.00 per day.

24. From past experience we estimate the churn drilling should progress at about 25 feet per 8 hour shift, requiring about 80 shifts to complete. Monthly expenditure on drilling to be about $3,750.

The tunnel work, on a one shift per day basis, is expected to advance an average of 4 feet per shift, or about 100 feet monthly. This will require about $2,500. per month.

Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

June 16, 1951

Copy of lease to accompany Form MF-103

The attached copy of lease is typical of the four leases covering the four interests in the Groom property. The same attorney prepared all four leases at the same time, and the only difference in them is as follows:

1. Lease and option from William Wheatley to Dan Sheahan covering an undivided 1/10 interest in and to the same described property. Royalty is 1% of the smelter returns after paying a maximum of $7.00 per ton truck haul
   Total purchase price to be $7.500. payable $1,500 on or before July 1, 1951, $3,000. on or before July 1, 1952 and final payment by July 1, 1953.

2. Lease and option from Cora M. Poncin of Seattle Washington, Birdie L. Cline and Birdie L. Poncin of Coronado, California to Dan Sheahan, covering a 15/30 interest in the same described property. Royalty is to be 5% of the Smelter returns after $7. per ton truck haul
   Total purchase price to be $37,500., payable $12,500 on or before July 1, 1952, $12,500. by July 1, 1953 and $12,500. by July 1, 1954

3. Lease and option from T. J. Sheahan, Ben H. Sheahan and Dan Sheahan as Trustees for Elva Sheahan, to Dan Sheahan covering a 7/30 interest in the same described property. Royalty to be 7/30 of 10% payable as shown above.
   Total Purchase price to be $20,000. payable $2,000. on or before July 1, 1951; $6,000. on or before July 1, 1952 $6,000. by July 1, 1953 and final payment by July 1, 1954.

All of these lease are in good standing and royalty will take care of all obligations due before July 1, 1952.

LEASE AND OPTION AGREEMENT

THIS AGREEMENT, made and entered into at Pioche, in the County of Lincoln, State of Nevada, as of September 1, 1947, by and between Isabel O. Godbe, Trustee, in trust for and for the use and benefit of, the said Isabel O. Godbe, Amy O. Hartman, Louise O; Davies and Chas. D. Osborne, share and share alike, and for their respective heirs, herin called First party, and Dan Sheahan, of the city of Las Vegas, in the county of Clark, State of Nevada, herein called Second Patry,
WITNESSETH:

1. First Party herein is the owner, in possession and entitled to the possession of that certain undivided one-sixth interest in and to the mining property and premises known as the Groom Mines, hereinafter particularly described, formerly owned by her father, Thomas J. Osborne, Deceased, and distributed to her in trust, under and by virtue of that certain Decree of Distribution of the Estate of Thomas J. Osborne, deceased, entered in the Seventh Judicial District Court of the State of Nevada, in and for the County of Lincoln, on April 28, 1947.

2. On the date of the entry of said Decree the interest of Said Thomas J. Osborne, deceased, in the said Groom Mines was subject to a lease and option agreement given to Dan Sheahan, Second Party herein, under date of July 1, 1946, with the approval of the said District Court endorsed thereon; but the said lease and option agreement was abandoned by said Dan Sheahan under date of July 1, 1947, and an Order was subsequently entered in said District Court canceling said agreement.

3. Second Party desires again to enter into a Lease and Option Agreement for the purchase of all the right, title, interest and estate of the said Thomas J Osborne, deceased, heretofore distributed to First Party herein.

4. For and in consideration of the sum of one Dollar, lawful money of the United States of America, to First Party in hand paid, the receipt whereof is hereby acknowledged, and in consideration of the faithful performance by Second Party of the covenants herein recited on his part to be kept and performed, First Party hereby leases and lets to Second Party the said undivided one-sixth interest in the Groom Mines heretofore owned by said Thomas J. Osborne, deceased, for a period commencing September 1, 1947, and expiring on July 1, 1951, unless sooner forfeited or terminated through default in any payment required herein or through violation or breach of any covenant herein recited on the part of second Party to be kept and performed; Second Party during such term to have the exclusive use and enjoyment of said mining premises and property to the full extent of the interest of First Party therein, subject to the following covenants:

(a) Second Party shall enter upon said described premises for the purpose of developing, mining, milling, treating and in every other manner handling ores theron and their contents, or conducting any other operation connected therewith, and at his own sole cost and expense, work, operate and develop the same in manner necessary for good and economical mining and so as to take out the greatest amount of ore possible, with due regard to the development and preservation of said premises as a workable mine.

(b) During the term of this lease Second Party shall ship from said premises, without unnecessary delay and under such reasonable contracts as First Party may approve, any and all ores heretofore extracted from siad premises but not yet shipped therefrom, also all ores which may be extracted from said premises by Second Party hereunder, which an intelligent miner would reasonably expect to yield a smelter return in excess of the cost of extracting, sorting and concentrating, and transportation, reduction and treatment charges thereon; and shall use reasonable diligence in saving for future handling any ore the shipment of which might be expected to yield such excess at some later date.

(d) SecondPatty shall pay or deliver or cause to be paid or delivered to First Party promptly after each settlement, a royalty of one and two-thirds per centum (1-2/3%) of the net smelter settlement on each shipment of ore from said premises; "net smelter settlement" being the amount of the smelter check after deduction of treatment, assay, railroad freight, and any actual and necessary truck haul charge on the ore; provided said deduction for truck haul shall in no event exceed Seven Dollars ($7.00) per ton of ore hauled, and each royalty payment shall be accompanied by carbon copy of original smelter settlement sheet.

(d) Second Party shall, at his own expense, cause to be performed during the term of this lease such annual assessment work as may be required by the Federal law to hold the five unpatented lode mining claims in the group, expressly including such assessment work for the annual period expiring at noon on July 1, 1948, and shall cause such proper proof thereof to be made as is or may hereafter be required by law.

(e) During the term hereof Second Party shall at his own expense pay, before the delinquent date, State, County and District taxes levied against the interest of First Party, commencing with taxes levied for the year 1947; provided, Second Party may, by filing with the County Clerk of Lincold County each year an affidavit of labor on the two patented mines, secure the exemption from payment of taxes thereon which is permitted by law.

(f) Commencing not later than October 1, 1947, and continuing during the term hereof, Second Party shall continuously develop the said mine and shall cause to be performed thereon for the benefit of all the co-owners at least one hundred (100) one-man shifts during each

calendar month.

5. SecondParty reserves the right to relinquish this lease on the first day of any month subsequent to January 1, 1948, upon giving First Party notice not later than the first day of the month preceding such contemplated relinquishment. From and after the date of such relinquishment, Second Party shall be relieved of all further obligation hereunder except payment of agreed royalty on all ore shipments made, and shall have the right for a period of not more than thirty days after such relinquishment to remove from said premises any and all equipment and any and all machinery placed by him upon said premises during the term of this lease except timber or rails or pipe affixed to the premises.

6. In consideration of the acceptance of the foregoing lease, and the covenants recited in paragraph number 4, Second Party is hereby given the exclusive right and option to purchase all of the interest of First Party in said leased premises and property, for Twelve Thousand Five Hundred Dollars ($12,500.00), to be paid to First Party in installments as follows: a payment of not less than Two Thousand Five hundred Dollars ($2,500.00) on July 1, 1951, and additional installments of Five Thousand Dollars ($5,000.00) annually not later than July 1 each of the years 1952 and 1953; provided, all royalty payments shall be applicable on purchase price installments, and the payment of purchase price installments, when due in 1952 and 1953 respectively, shall automatically extend the term of this lease or one (1) year from due date, subject, however, to the continued performance by Second Party of the covenants recited in paragraph numbered 4 hereof.

7. During the term of this agreement Second Party shall save First Party harmless from any and all damages and causes of action that may arise or accrue by reason of any injury to any employee of Second Party or to any other person or persons by reason of negligence on the part of Second Party or otherwise. For the purpose of fully protecting First Party, Second Party, shall, prior to beginning operations hereunder, post and record in compliance with statute, notice that the demised premises are being operated by Second Party hereunder, andthat neither First Party nor the demised premises will be responsible to any person or persons for any labor done or any supplies or materials furnished in connection with operations hereunder; and SecondParty shall also accept the provisions of the Nevada Industrial Insurance Act, and the Nevada Occupational Diseases Act. Second Party shall also save the demised premises free of liability on any Federal lien resulting from the operations of Second Party hereunder.

8. Second Party shall have the right to pay any one or more of the purchase price installments in advance of the due date thereof, and upon full payment of the first installment of the purchase price First Party will place inescrow with a Third Party, acceptable to First Party and Second Party, a good and sufficient grant, bargain and sale deed, which will convey to SecondParty good and marketable title to the interest of First Party herein described, and will deliver such deed to such escrow agent at as early a date as possible, with appropriate instructions for the delivery of said deed to Second Party upon full performance by Second Party of his covenants hereunder and full payment of purchase price.

9. It is agreed that time is of the essence of this agreement, and that upon failure of Second Party to perform, or commence in good faith to perform, any of the covenants of the lease, other than covenants for the payment of money to First Party, within a period of thirty days after date of mailing of notice to Second Party stating in general terms the failure to which First Party objects, or upon failure of Second Party to make,

promptly when due, any payment of money required to be made to First Party under the terms of the lease or the option, the lease shall at the option of First Party thereupon terminate and the option shall concurrently terminate, and Second Party agrees that any such default on his part shall effect not only a cancellation of the lease and option but also a forfeiture to First Party of any and all payments made by Second Party to First Party hereunder, as rental for the demised premises and not as a penalty. It is further agreed that no provision in this agreement shall be construed to limit the right of First Party to demand and enforce the payment of earned royalty.

10. Notice when given hereunder shall be given by registered letter, postpaid, addressed if by First Party to DaneSheahan, 104 South Seventh Street, Las Vegas, Nevada, and if by Second Party to Isabel O. Godbe, Trustee, Pioche, Nevada, and shall be deemed complete upon the date of mailing shown by registry receipt. Notice of change of address shall be given in like manner.

11. It is agreed that First Party shall have the right at any and all reasonable times, in person or by agent, to inspect the demised premises and any and all records and data affecting the interests of First Party hereunder; and that no waiver by First Party of the performance of any covenant hereof by Second Party shall constitute or effect a waiver thereof as applied to any other obligation of Second Party hereunder.

12. This Agreement shall inure to and bind the successors and assigns of First Party and the assigns, heirs, executors and administrators of Second Party.

13. The interest in the Groom Mineshereby demised is particularly described as follows: an undivided one-sixth (1/6) interest in and to mines, mining claims and mining property situated in the Groom Mining District, in the County of Lincold, State of Nevada, consisting of the WHITE LAKE AND CONCEPTION, patented as U. S. Lot no. 37; the WHITE LAKE NO. 2 AND CONCE PTION NO. 2, patented as U. S. Lot no.38; the unpatented MARIA, WILLOW, EAST SIDE NO. 1, EAST SIDE NO.2 and JUNE lode mining claims as same are more particularly described in patents and location notices on file in the office of the County Recorder of said LincoldCounty; together with all improvements and appurtenances and all ores therein or thereon, and any and all water rights held in connection therewith.

IN WITNESS WHEREOF this Agreement has been fully executed in triplicate by the parties hereto as of the date herein first written.

(Signed) Isabel O. Godbe, Trustee
First Party

(Signed) Dan Sheahan
Second Party

Dan Sheahan
Groom Mine
P..O. Box 68
Caliente, Nevada

BALANCE SHEET - MAY 31, 1951

ASSETS		
Cash in Bank		$12,430.24
Due From Smelter		10,002.48
Other Accounts Receivable		549.20
Material & Supplies		725.00
Machinery and Equipment 32,880.61 Less Res. for Depreciation 15,019.11		17,861.50
Real Estate		5,275.00
Mine Development 28,200.00 Less Reserve for Depletion 20,799.86		7,400.14
		$54,243.56
Partnership		$ 30,718.90
LIABILITIES		
Supplier's Bills Payable		1,236.28
Wages payable		525.64
Ore Hauling Payable		460.25
Reserve for Taxes		502.60
Profit & Loss		20,799.89
		$54,243.56

Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

Statement of Profit & Loss for 5 months period ended May 31, 1951

Gross Smelter value of ore sold-		$40,764.63
Expenses		
Smelting Charges	$ 4,337.30	
Assaying	69.00	
R. R. Freight	1,908.06	
Ore Hauling to Railroad	3,397.21	
Royalty	3,070.34	
Labor	7,887.10	
Supplies	5,294.75	
Repairs	967.23	
Industrial Insurance	294.06	
Camp and Boarding House	455.01	
Auto & Travel	463.20	
General Expense	206.85	
Taxes	503.35	
Insurance on equipment	253.41	
Depreciation	2,049.47	
Depletion	4,804.15	
Profit	4,804.14	
	$40,764.63	$40,764.63

Form MF-100
(May 1951)

U[redacted] DEPARTMENT OF THE INTER[redacted]
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-1726 X

Date received 6/25/51

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 25 1951
LANDON F. STROBEL
Executive Secretary

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
JUL 23 1951
SAN FRANCISCO, CALIFORNIA

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

Name and address of applicant

Date JUNE 16, 1951

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) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) 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.

GENERAL TECHNICAL DATA

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

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products? Lead ore and lead concentrates
   (*b*) What are the byproducts, if any?
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:
   (*a*) Linear feet of shafts. See the attached sheet
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point. 86 miles SW from Caliente, Nev.
   (*b*) Mining district. Groom, Lincoln Co., Nevada
   (*c*) Township, Section, Range. T. 7 S, Range 55 E MDM, unsurveyed
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated. Now being operated by Dan Sheahan & M. R. Sheahan
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☒ Lessee.
   - ☐ Contractor.
5. Number of years in production 9 under present operator

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators: See the attached sheet

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
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.
   (*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.

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)
Dan Sheahan	Partner						
M. R. Sheahan	Partner						
P. O. Box 68 Caliente, Nevada							
	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	$	$	$		
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.) Short tons	Lead Ore	4065	1640	2731	600
2. Quantity of product processed (specify unit of measure and type of process) Gravity & Flotation		4065	1640	2731	600
3. Quantity and grade of product sold or shipped (specify units of measure) Short tons	Ore & Conc.	551 of 31% Pb	166 of 60% Pb	126 of 65% Pb	25 of 65% Pb

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. Possibly under more favorable market

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. Ore bodies have been mainly as replacement in limestone. Present orebody is in shale lying in the foot wall of the main limestone bed, and is being mined by open pit.

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

TO ACCOMPANY FORM MF-100 JUNE 16, 1951

2. Property is Groom Mine and Mill, Lincoln County, Nevada
   (a) 200' linear feet of shaft
   (b) 2500 ft of drifts and crosscuts
   (c) 2435 ft of adit tunnels
   (d) 600 ft of raises and winzes

6. The applicant has had 25 years experience in mining and milling, 10 years as superintendent of operations for International Mining Corporation in Pioche, Nevada; Kingman, Arizona; New Brunswick, Canada; and at this Groom property.

7. History:
   (a) The property has been operated intermittently since 1864. It has been shut down during periods of low metal prices, but has been operated in a small way at all other times. In 1945 a small amount of drilling exploration work was done by International Mining Corporation. This work found two orebodies in shale averaging between 4 and 5% lead which were considered too low grade at the time. One of these bodies is now being mined by open pit by the applicant. There are several favorable ore horizons underneath which have not been explored.

   (b) One other property in the district has produced a few hundred tons of lead ore. This is called the Black Metal.

17. Equipment and Facilities:

Mill:
Crushing plant of capacity 10 tons per hr to 3/4"
Ball mill and Flotation capacity of 2 tons per hr.
Jigs and Tables with capacity of 5 tons per hr.
This plant is all electric drive, with power generated by D-13,000 Caterpillar Diesel - 75 KW.

Mine:
The present open pit orebody is being drilled by Ingersol*Rand Wagon Drill with air furnished by 214 cu ft Joy compressor driven by a Buda gasoline engine. Loading into trucks is done by Hough-International TD 9 Dozer-Shovel.
Underground mining equipment consists of the usual line of rock drills, ore cars, pipe, track etc and a slusher hoist.
In the shop we have an arc welder, acetylene welding and cutting outfit, forge, grinder and general shop tools.
All equipment is in good condition

Camp: Camp buildings include a bunk house, boarding house, office, four 2 room cabins and seven one room cabins.

(*b*) If deposit is other than pla

(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 Short tons	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)	30,000	5% Pb	15.50	10.85	8.50
Indicated (probable)	40,000	4% Pb	10.80	7.56	8.50

(*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.

(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. Road is 86 Miles from Caliente, Nevada; 46 miles on US Highway 93, then 41 miles of good graded road to the mine

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year. Water is from a well making 30 gal per min all year

15. Power:

State amount of power used, rate per hour, and source thereof. Power is generated by Diesel-Electric set, 75 KW. Air Compressor driven by gasoline engine.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period. 2 miners and 2 millmen

17. Equipment and Facilities:

see the attached sheet

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

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.

GROOM MINE
(Name of company)

By Dan Sheahan
(Signature of authorized official)

June 16, 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.

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

OFFICE OF THE ADMINISTRATOR

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

1012 Flood Building
870 Market Street
San Francisco 2, Calif

Office of
Executive Officer
DMEA Field Team
Region III

December 10, 1951

Memorandum

To: Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-1726X (Lead-Zinc), Dan Sheahan, Post Office Box 68, Caliente, Nevada

Reference is to subject "Review of Application for Exploration Assistance", dated July 20, 1951, requesting among other things that we obtain subordination agreements from each of the owners.

We wrote the applicant regarding such agreements on July 30, and sent him copies to be signed. Various letters from the applicant since that time indicate that he has not been successful in getting his property owners to sign the agreement. His last letter is dated December 4, stating that he still has not been successful in getting the property owners to agree to sign the Landlord's Subordination Agreement. He still hopes to get the agreement signed, but, as he states, for the present there is nothing more he can do.

Accordingly, we will continue to hold the subject docket in our pending file awhile longer.

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

Copy to Edgar H. Bailey, USGS

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 14 1951

FILE COPY
SURNAME:

Lyons (E.J.M.)
McKnight
O'Leary
(E. Rampre)
Bulinger
Don Groom

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

JUL 20 1951

July 19, 1951

Re: Docket DMA-1726

Mr. Dan Sheahan
P. O. Box 68
Caliente, Nevada

Dear Mr. Sheahan:

Your application for a loan to explore the Groom mine, Lincoln County, Nevada, has been referred to Mr. Harold C. Miller, Executive Officer, DMA Field Team, 1012 Flood Building, 870 Market Street, San Francisco, California, for further information and advice.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

E. J. Lyons:emp
G 7/18/51
Copies to: Harold C. Miller, Region III (2)
Chief, Lead-Zinc Br.
E. T. McKnight
R. H. Mote
Reports & Records Unit
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

FILE COPY
SURNAME:

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

June 26, 1951

Mr. Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

Subject: DMA-1726X
Re: Exploration loan
Groom Mine

My dear Mr. Sheahan:

Receipt is acknowledged of your application and attachments of June 16, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1726X and was referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on June 26, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1726X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:Jeb
cc: Strobel-2
Files
Herres
Lyon

DMA 1726

856

JUL 20 1951

July 17, 1951

Ref Docket No A-17260

A.E.C.

Mrs. Ann Gnesheen
P. O. Box 68
Caliente, Nevada

Dear Mrs. Gnesheen:

Your application for a lease to explore the Grover mine, Lincoln County, Nevada, has been referred to Mr. Harold G. Miller, Executive Officer, [illegible] Building, 870 Market Street, San Francisco, California, for further information and advice.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

E. J. Lyons:emp
G 7/18/51
Copies to: Harold G. Miller, Region III (2)
Chief, Lead-Zinc Br.
[illegible] McKnight
[illegible] Hote
Reports & Records Unit
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

June 26, 1951

Mr. Dan Sheahan
~~Groom Mine~~
P. O. Box 68
Caliente, Nevada

Subject: DMA-1726X
Re: Exploration Loan
Groom Mine

My dear Mr. Sheahan:

Receipt is acknowledged of your application and attachments of June 16, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1726X and was referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on June 26, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1726X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:Jeb
cc: Strobel-2
Files
Herres
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-1726 X

Date received 6/25/51

Participation

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 25 1951
LANDON F. STROBEL
Executive Secretary

Name and address of applicant

Date June 16, 1951

FILL IN THIS BLOCK

Date of application June 16, 1951

Estimated cost $30,000.

Mineral or metal Lead-Zinc

Percentage of Government participation 50

Location of mine Lincoln County, Nevada

Groom District

Date of filing MF-100 June 16, 1951

DMA Docket Number, if available

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? see MF-100

*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. Copy of lease attached hereto

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 attached sheets

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.

GROOM MINE
(Name of company)

By Dan L. Sheehan
(Signature of authorized official)

June 16, 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

Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

TO ACCOMPANY FORM MF 103 JUNE 16, 1951

9. Applicant is prepared to invest $15,000. This is sufficient to pay for our share of the cost of the project.

10. (a) The real property involved in this project is:
Patented Claim White Lake & Conception, U. S. Lot 37
Patented Claim White Lake No. 2 & Conception No. 2, U.S. Lot38
Unpatented claims- Maria, Willow, June, East Side No. 1 and East Side No. 2.
All in the Groom Mining District, Lincoln County, Nevada, and and commonly known as the Groom Mine

(b) Same as above

16. Production records available to the applicant, which are not complete, show a total production of ore and concentrates shipped to the smelters amounting to 15,477 short tons containing 9,815,791 pounds of lead and 140,010 ounces silver.

19. The geology of this property is very similar to the lead-zinc mines in the pioche district, being in the middle and lower Cambrian series of limestone shales and quartzite. The limestone-shale section has a total thickness of 967 feet in this district. Most of the production so far has come from the upper limestone layer ("Lynden Limestone") and although mineralization is seen to extend into the underlying shale, it has not been followed to the next limestone bed. The formations are tilted to about 45° dipping Easterly, while the fissures are parallel to, and in the hanging wall of, a major North-South fault with westerly dip.

The purpose of this proposed exploration is to prospect some of the lower limestone layers by drill holes from the surface and by tunnel from our 200 foot level. At Pioche the lower limestone layers have been the most productive ones.

20. We would expect to find lead-zinc sulfide ore in the lower beds.

21 The proposed work is to consist of:
(a) Drilling a row of 5 churn drill holes starting at the present "Pit" orebody and progressing westward at 60 foot intervals, holes to be from 300 to 500 feet deep. Total footage to be drilled is 2000 ft. and total estimated cost is $12,000. Estimated time to complete is three months.
(b) Driving the present 200 ft level tunnel a distance of 720 feet to prospect under the present pit orebody and its northward and westward extension. This is estimated to cost $25. per foot or a total of $18,000. Estimated time to complete is seven months.

23. Drilling to be done by a independent contractor on a footage basis.

The cost of the tunnel work is estimated as follows:
(a) 2 miners @ 1.75 per hour base pay
1 Trammer operator and shopman @ 1.75 per hour
(b) Supervision to be by the applicant who will supervise the drilling, tunnel work and present production operation, with proportion of salary to be prorated to each job, amounting to $175. per month to each.

(c) Present facilities, including buildings and equipment are all in good condition,

(d) No additional construction is necessary.

(e) Estimated cost of small battery locomotive and battery charging set- $4,500.

(f) We do not plan to rent any equipment.

(g) $15. per day is considered a fair rental value of of present underground mining equipment and use of air compressor.

(h) Estimated cost of timber, where needed, is $4.50 per foot of tunnel.
Estimated cost of explosives is $1.67 per foot of tunnel.
Estimated cost of steel, bits and miscellaneous small items is $0.80 per foot of tunnel.

(i) Cost of supplies for operating air compressor is approximately $1.00 per hour. Water and utilities cost is approximately $4.00 per day.

24. From past experience we estimate the churn drilling should progress at about 25 feet per 8 hour shift, requiring about 80 shifts to complete. Monthly expenditure on drilling to be about $3,750.

The tunnel work, on a one shift per day basis, is expected to advance an average of 4 feet per shift, or about 100 feet monthly. This will require about $2,500. per month.

LEASE AND OPTION AGREEMENT

THIS AGREEMENT, made and entered into at Pioche, in the County of Lincoln, State of Nevada, as of September 1, 1947, by and between Isabel O. Godbe, Trustee, in trust for and for the use and benefit of, the said Isabel O. Godbe, Amy O. Hartman, Louise O; Davies and Chas. D. Osborne, share and share alike, and for their respective heirs, herin called First party, and Dan Sheahan, of the city of Las Vegas, in the county of Clark, State of Nevada, herein called Second Patry,
WITNESSETH:

1. First Party herein is the owner, in possession and entitled to the possession of that certain undivided one-sixth interest in and to the mining property and premises known as the Groom Mines, hereinafter particularly described, formerly owned by her father, Thomas J. Osborne, Deceased, and distributed to her in trust, under and by virtue of that certain Decree of Distribution of the Estate of Thomas J. Osborne, deceased, entered in the Seventh Judicial District Court of the Stateof Nevada, in and for the County of Lincoln, on April 28, 1947.

2. On the date of the entry of said Decree the interest of Said Thomas J. Osborne, deceased, in the said Groom Mines was subject to a lease and option agreement given to Dan Sheahan, Second Party herein, under date of July 1, 1946, with the approval of the said District Court endorsed thereon; but the said lease and option agreement was abandoned by said Dan Sheahan under date of July 1, 1947, and an Order was subsequently entered in said District Court canceling said agreement.

3. Second Party desires again to enter into a Lease and Option Agreement for the purchase of all the right, title, interest and estate of the said Thomas J Osborne, deceased, heretofore distributed to First Party herein.

4. For and in consideration of the sum of one Dollar, lawful money of the United States of America, to First Party in hand paid, the receipt whereof is hereby acknowledged, and in consideration of the faithful performance by Second Party of the covenants herein recited on his part to be kept and performed, First Party hereby leases and lets to Second Party the said undivided one-sixth interest in the Groom Mines heretofore owned by said Thomas J. Osborne, deceased, for a period commencing September 1, 1947, and expiring on July 1, 1951, unless sooner forfeited or terminated through default in any payment required herein or through violation or breach of any covenant herein recited on the part of second Party to be kept and performed; Second Party during such term to have the exclusive use and enjoyment of said mining premises and property to the full extent of the interest of First Party therein, subject to the following covenants:

(a) Second Party shall enter upon said described premises for the purpose of developing, mining, milling, treating and in every other manner handling ores theron and their contents, or conducting any other operation connected therewith, and at his own sole cost and expense, work, operate and develop the same in manner necessary for good and economical mining and so as to take out the greatest amount of ore possible, with due regard to the development and preservation of said premises as a workable mine.

(b) During the term of this lease Second Party shall ship from said premises, without unnecessary delay and under such reasonable contracts as First Party may approve, any and all ores heretofore extracted from siad premises but not yet shipped therefrom, also all ores which may be extracted from said premises by Second Party hereunder, which an intelligent miner would reasonably expect to yield a smelter return in excess of the cost of extracting, sorting and concentrating, and transportation, reduction and treatment charges thereon; and shall use reasonable diligence in saving for future handling any ore the shipment of which might be expected to yield such excess at some later date.

(a) SecondParty shall pay or deliver or cause to be paid or delivered to First Party promptly after each settlement, a royalty of one and two-thirds per centum (1-2/3%) of the net smelter settlement on each shipment of ore from said premises; "net smelter settlement" being the amount of the smelter check after deduction of treatment, assay, railroad freight, and any actual and necessary truck haul charge on the ore; provided said deduction for truck haul shall in no event exceed Seven Dollars ($7.00) per ton of ore hauled, and each royalty payment shall be accompanied by carbon copy of original smelter settlement sheet.

(d) Second Party shall, at his own expense, cause to be performed during the term of this lease such annual assessment work as may be required by the Federal law to hold the five unpatented lode mining claims in the group, expressly including such assessment work for the annual period expiring at noon on July 1, 1948, and shall cause such proper proof thereof to be made as is or may hereafter be required by law.

(e) During the term hereof Second Party shall at his own expense pay, before the delinquent date, State, County and District taxes levied against the interest of First Party, commencing with taxes levied for the year 1947; provided, Second Party may, by filing with the County Clerk of Lincold County each year an affidavit of labor on the two patented mines, secure the exemption from payment of taxes thereon which is permitted by law.

(f) Commencing not later than October 1, 1947, and continuing during the term hereof, Second Party shall continuously develop the said mine and shall cause to be performed thereon for the benefit of all the co-owners at least one hundred (100) one-man shifts during each

calendar month.

5. Second Party reserves the right to relinquish this lease on the first day of any month subsequent to January 1, 1948, upon giving First Party notice not later than the first day of the month preceding such contemplated relinquishment. From and after the date of such relinquishment, Second Party shall be relieved of all further obligation hereunder except payment of agreed royalty on all oreshipments made, and shall have the right for a period of not more than thirty days after such relinquishment to remove from said premises any and all equipment and any and all machinery placed by him upon said premises during the term of this lease except timber or rails or pipe affixed to the premises.

6. In consideration of the acceptance of the foregoing lease, and the convenants recited in paragraph number 4, Second Party is hereby given the exclusive right and option to purchase all of the interest of First Party in said leased premises and property, for Twelve Thousand Five Hundred Dollars (12,500.00), to be paid to First Party in installments as follows: a payment of not less than Two Thousand Five Hundred Dollars ($2.500/00) on July 1, 1951, and additional installments of Five Thousand Dollars (5,000.00) annually not later than July 1 in each of the years 1952 and 1953; provided, all royalty payments shall be applicable on purchase price installments, and the payment of purchase price installments, when due in 1952 and 1953 respectively, shall automatically extend the term of this lease for one (1) year from due date, subject, however, to the continued performance by Second Party of the covenants recited in paragraph numbered 4 hereof.

7. During the term of this agreement Second Party shall save First Party harmless from any and all damages and causes of action that may arise or accrue by reason of any injury to any employee of Second Party or to any other person or persons by reason of negligence on the part of Second Party or otherwise. For the purpose of fully protecting First Party, Second Party, shall, prior to beginning operations hereunder, post and record in compliance with statue, notice that the demised premises are being operated by Second Party hereunder, and that neither First Party nor the demised premises will be responsible to any person or persons for any labor done or any supplies or materials furnished in connection with operations hereunder; and Second Party shall also accept the provisions of the Nevada Industrial Insurance Act, and the Nevada Occupational Diseases Act. Second Party shall also save the demised premises free of liability on any Federal lien resulting from the operations of SecondParty hereunder.

8. Second Party shall have the right to pay any one or more of the purchase price installments in advance of the due date thereof, and upon full payment of the first installment of the purchase price First Party will place in escrow with a Third Party, acceptable to First Party and Second Party, a good and sufficient grant, bargain and sale deed, which will convey to Second Party good and marketable title to the interest of First Party herein described, and will deliver such deed to such escrow agent at as early a date as possible, with appropriate instructions for the delivery of said deed to Second Party upon full performance by Second Party of his covenants hereunder and full payment of purchase price.

9. It is agreed that time is of the essence of this agreement, and that upon failure of Second Party to perform, or commence in good faith to perform, any of the covenants of the lease, other than covenants for the paument of money to First Party, within a period of thirty days after date of mailing of notice to Second Party stating in general terms the failure to which First Party objects, or upon failure of SecondParty to make,

promptly when due, any payment of money required to be made to First Party under the terms of the lease or the option, the lease shall at the option of First Party thereupon terminate and the option shall concurrently terminate, and Second Party agrees that any such default on his part shall effect not only a cancellation of the lease and option but also a forfeiture to First Party of any and all payments made by Second Party to First Party hereunder, as rental for the demised premises and not as a penalty. It is further agreed that no provision in this agreement shall be construed to limit the right of First Party to demand and enforce the payment of earned royalty.

10. Notice when given hereunder shall be given by registered letter, postpaid, addressed if by First Party to DaneSheahan, 104 South Seventh Street, Las Vegas, Nevada, and if by Second Party to Isabel O. Godbe, Trustee, Pioche, Nevada, and shall be deemed complete upon the date of mailing shown by registry receipt. Notice of change of address shall be given in like manner.

11. It is agreed that First Party shall have the right at any and all reasonable times, in person or by agent, to inspect the demised premises and any and all records and data affecting the interests of First Party hereunder; and that no waiver by First Party of the performance of any covenant hereof by Second Party shall constitute or effect a waiver thereof as applied to any other obligation of Second Party hereunder.

12. This agreement shall inure to and bind the successors and assigns of First Party and the assigns, heirs, executors and administrators of Second Party.

13. The interest in the Groom Mineshereby demised is particularly described as follows: an undivided one-sixth (1/6) interest in and to mines, mining claims and mining property situated in the Groom Mining District, in the County of Lincold, State of Nevada, consisting of the WHITE LAKE AND CONCEPTION? patented as U. S. Lot no. 37; the WHITE LAKE NO. 2 AND CONCE PTION NO. 2, patented as U. S. Lot no.38; the unpatented MARIA, WILLOW, EAST SIDE NO. 1, EAST SIDE NO.2 and JUNE lode mining claims as same are more particularly described in patents and location notices on file in the office of the County Recorder of said LincoldCounty; together with all improvements and appurtenances and all ores therein or thereon, and any and all water rights held in connection therewith.

IN WITNESS WHEREOF this Agreement has been fully executed in tripiicate by the parties hereto as of the date herein first written.

(Signed) Isabel O. Godbe, Trustee
First Party

(Signed) Dan Sheahan
Second Party

Dan Sheahan
Groom Mine
P..O. Box 68
Caliente, Nevada

BALANCE SHEET - MAY 31, 1951

ASSETS		
Cash in Bank		$12,430.24
Due From Smelter		10,002.48
Other Accounts Receivable		549.20
Material & Supplies		725.00
Machinery and Equipment 32,880.61 Less Res. for Depreciation 15,019.11		17,861.50
Real Estate		5,275.00
Mine Development 28,200.00 Less Reserve for Depletion 20,799.86		7,400.14
		$54,243.56
Partnership		$ 30,718.90
LIABILITIES		
Supplier's Bills Payable		1,236.28
Wages payable		525.64
Ore Hauling Payable		460.25
Reserve for Taxes		502.60
Profit & Loss		20,799.89
		$54,243.56

Dan Sheahan
Groom Mine
P. O. Box 68
Caliente, Nevada

Statement of Profit & Loss for 5 months period ended May 31, 1951

Gross Smelter value of ore sold-		$40,764.63
Expenses		
Smelting Charges	$ 4,337.30	
Assaying	69.00	
R. R. Freight	1,908.06	
Ore Hauling to Railroad	3,397.21	
Royalty	3,070.34	
Labor	7,887.10	
Supplies	5,294.75	
Repairs	967.23	
Industrial Insurance	274.06	
Camp and Boarding House	455.01	
Auto & Travel	463.20	
General Expense	206.85	
Taxes	503.35	
Insurance on equipment	253.41	
Depreciation	2,049.47	
Depletion	4,804.15	
Profit	4,804.14	
	$40,764.63	$40,764.63

Form MF-900
(May 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-1726X

Date received 6/25/51

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 25 1951
LANDON F. STROBEL
Executive Secretary

Name and address of applicant

Date JUNE 16, 1951

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) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) 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.

GENERAL TECHNICAL DATA

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

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products? Lead ore and lead concentrates
   (*b*) What are the byproducts, if any?
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:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts. See the attached sheet
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point. 86 miles SW from Caliente, Nev.
   (*b*) Mining district. Groom, Lincoln Co., Nevada
   (*c*) Township, Section, Range. T 7 S, Range 55 E MDM, unsurveyed
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated. Now being operated by Dan Sheahan & M. R. Sheahan
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☒ Lessee.
   - ☐ Contractor.
5. Number of years in production 9 under present operator

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators: See the attached sheet

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
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.
   (*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.

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)
Dan Sheahan	Partner						
M. R. Sheahan	Partner						
P. O. Box 68 Caliente, Nevada							
	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	$	$	$		
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.) Short tons	Lead Ore	4065	1640	2731	600
2. Quantity of product processed (specify unit of measure and type of process)	Gravity & Flotation	4065	1640	2731	600
3. Quantity and grade of product sold or shipped (specify units of measure) Short tons	Ore & Conc.	551 of 31% Pb	166 of 60% Pb	126 of 65% Pb	25 of 55% Pb

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. Possibly under more favorable market

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.

Ore bodies have been mainly as replacement in limestone. Present orebody is in shale lying in the foot wall of the main limestone bed, and is being mined by open pit.

(*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 Short tons	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)	30,000	5% Pb	15.50	10.85	8.50
Indicated (probable)	40,000	4% Pb	10.80	7.56	8.50

(*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.

(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. Road is 86 Miles from Caliente, Nevada; 46 miles on US Highway 93, then 41 miles of good graded road to the mine

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

Water is from a well making 30 gal per min all year

15. Power:

State amount of power used, rate per hour, and source thereof. Power is generated by Diesel-Electric set, 75 KW. Air Compressor driven by gasoline engine.

16. Labor:

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

2 miners and 2 millmen

17. Equipment and Facilities:

see the attached sheet

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

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.

GROOM MINE
(Name of company)

By Dan Sheehan
(Signature of authorized official)

June 16, 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.

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

DAN SHEAHAN
GROOM MINE
P. O. BOX 68
CALIENTE, NEVADA

TO ACCOMPANY FORM MF-100 JUNE 16, 1951

2. Property is Groom Mine and Mill, Lincoln County, Nevada
   (a) 200' linear feet of shaft
   (b) 2500 ft of drifts and crosscuts
   (c) 2435 ft of adit tunnels
   (d) 600 ft of raises and winzes

6. The applicant has had 25 years experience in mining and milling, 10 years as superintendent of operations for International Mining Corporation in Pioche, Nevada; Kingman, Arizona; New Brunswick, Canada; and at this Groom property.

7. History:
   (a) The property has been operated intermittently since 1864. It has been shut down during periods of low metal prices, but has been operated in a small way at all other times. In 1945 a small amount of drilling exploration work was done by International Mining Corporation. This work found two orebodies in shale averaging between 4 and 5% lead which were considered too low grade at the time. One of these bodies is now being mined by open pit by the applicant. There are several favorable ore horizons underneath which have not been explored.

   (b) One other property in the district has produced a few hundred tons of lead ore. This is called the Black Metal.

17. Equipment and Facilities:

Mill:
Crushing plant of capacity 10 tons per hr to 3/4"
Ball mill and Flotation capacity of 2 tons per hr.
Jigs and Tables with capacity of 5 tons per hr.
This plant is all electric drive, with power generated by D-13,000 Caterpillar Diesel - 75 KW.

Mine:
The present open pit orebody is being drilled by Ingersol*Rand Wagon Drill with air furnished by 214 cu ft Joy compressor driven by a Buda gasoline engine. Loading into trucks is done by Hough-International TD 9 Dozer-Shovel.
Underground mining equipment consists of the usual line of rock drills, ore cars, pipe, track etc and a slusher hoist.
In the shop we have an arc welder, acetylene welding and cutting outfit, forge, grinder and general shop tools.
All equipment is in good condition

Camp: Camp buildings include a bunk house, boarding house, office, four 2 room cabins and seven one room cabins.