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

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

		Date
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Answered		

July 11, 1951

Mr. Darrell V. Cole
P. O. Box 157
Healdsburg, California

In reply please refer to
DMA 1669 Tungsten

Dear Mr. Cole:

We have received your application of June 8 and your letters of June 21 and July 2 concerning a loan of $50,000 for production of tungsten from the Stevens and Turner lease, Atolia district, San Bernardino County, California.

We understand that these claims were leased to the Roefling Brothers (Surcease Mining Co.) in 1945, and that the ground was worked over in part in earlier operations by others. The difficulty of recovering tungsten and gold from these placers has long been recognized because of the critical absence of water. Your proposal to provide water, plant, and operating capital for $50,000 seems to be unduly optimistic.

Before Defense Minerals Administration could recommend a production loan, it would be necessary for you to substantiate your estimates of ore reserves in much more detail. Proof is required of adequate sampling and of metallurgical testing. Detailed estimates of production costs and of equipment costs are necessary. If Defense Minerals Administration is then satisfied that the proposal is feasible and has merit, DMA will recommend the project to RFC which is empowered to make the loan. Considerable additional delay may be encountered at this stage.

If the necessary testing is beyond your means, you might consider approaching the Surcease Mining Co. with a proposal to work the property. The Company has the equipment at hand and is experienced in recovering gold and scheelite from this type of placer.

We regret that we cannot be more encouraging about the possibilities of obtaining Government financing for this property.

Very truly yours,

Copy to Bailey 7/13

George B. Holderer
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George B. Holderer
Chief, Tungsten Branch