Gordon/ch 1-29-52
cc: Mr. Young
Mr. Douglas
Mr. Fales
Mr. Lyon
Minor and Light Metals
DMA Files
Fred Jones

JAN 30 1952

Honorable W. Stuart Symington
Administrator
Reconstruction Finance Corporation
Washington 25, D. C.

Attention: Mr. C. A. Bradham

Re: Loan application
Lucania Valley Quicksilver Mines
DMA-2097 - Mercury

Dear Mr. Symington:

Reference is made to Mr. Jesse Jones's application of September 15, for a mercury mining loan, DMA-2097, in the sum of $1,116,000.

After careful review it has been decided to deny the applicant on. Reasons for the denial are as follows:

1. There is no evidence of developed ore reserves and the project appears to consist of rehabilitation of old workings to permit their investigation, together with exploration to determine whether ore bodies showing persist in depth. Projects such as this are properly handled under the domestic exploration program and the applicant has now submitted an exploration project to the DMA.

2. The supply situation for mercury is such that the DMA is not in a position to recommend government assistance for this project.

3. Because of the very speculative situation there is no certified program under which a mercury mining loan embodying a great proportion of risk may be recommended.

We are transmitting complete dockets as follows:

1. Copy of Form RFC-100.
2. Three copies applicants letter of September 15, 1951, submitting Form RFC-102, and three copies of exhibits for these forms.
3. Copy of letter transmitting application to DMA, dated October 19, 1951.
4. Letter of October 30, 1951, referring application to DMA, with one copy of Form RFC-102.
5. Copies of letters of November 5 and December 26, 1951, from applicant to DMA, with copy of letter of November 1, 1951, from DMA to applicant.

Yours very truly,

Copy to Bailey 2/4

Enclosures

Tom Lyon
Tom Lyon, Director
Domestic Production Division

HCCH

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED

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SAN FRANCISCO, CALIFORNIA

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

OCT 19 1951

Mr. Frank Jensen, Director
Office of Loans
Reconstruction Finance Corporation
811 Vermont Avenue, N. W.
Washington 25, D. C.

re: Panoche Valley Quicksilver Mines
DMA-2097 Mercury

Dear Mr. Jensen:

Pursuant to executive order 10271 which authorizes and directs the Reconstruction Finance Corporation to make loans under section 302 of the Defense Production Act we are transmitting herewith four copies of the following application received by this agency.

James Toler, an individual doing business as,
Panoche Valley Quicksilver Mines, subsidiary,
Lone Oak Mine - Dealter
17 Winfield Street
San Francisco 10, California

Application is docketed as DMA 2097 under date of September 15, 1951. Total amount applied for is $16,116.00.

Yours very truly,

Tom Lyon

Tom Lyon, Director
Supply Division

Copy to Bailey 10/29

Enclosures

MBourret/ch 10-17-51
cc: Adm. Reading File
DMA docket file
Lyon
Meyer
McKnight - USGS
Field Team - III
Minor and Rare Metals

NCM