DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION IV
RECEIVED
AUG 17 1951
SAN FRANCISCO, CALIFORNIA

Re: DMA- 523

AUG 14 1951

Miller c/o

Answered

Mr. F. C. Bishop, President
Nedrona Mining Company
1500 Topeka Street
Pasadena 7, California

Dear Mr. Bishop:

In our letter to you of April 12, signed by Otto Herres, it was pointed out that part of your application (DMA- 523), for Federal aid to explore and develop the Lime Creek mine, Elko County, Nevada, might be eligible for assistance under the exploration program of the Defense Minerals Administration. This program calls for equal participation in exploration costs on the part of the applicant. Explanation of the plan and the necessary forms for making application were sent to you at that time.

As we have not received an application from you under the exploration program, we are transferring your original application for a loan to an inactive file. As explained in our letter of April 12 a straight development or mining loan cannot be approved unless there are adequate proven ore reserves to secure the loan, and your application does not indicate such reserves.

If at some future date you should care to explore your property under the Defense Minerals Administration's program, we will be glad to consider an application from you. We wish to thank you for bringing your property to our attention.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

copy to Bailey c/o

FJLee:sw
G 8-9-51

Copies to: Harold C. Miller-Region 3
Chief, Lead-Zinc Br.
E. T. McKnight
E. H. Mote
Reports and Records Unit
Director's r. file 4214 GSA
Br. r. file 4214 GSA
Files

DEPARTMENT OF INTERIOR
BUREAU OF MINES
RECEIVED
JUN 1 8 1951
SAN FRANCISCO, CALIFORNIA

Air Mail

In reply please refer to [illegible]-496

Mr. Jerry Lorfist
P. O. Box 75
Baker, California

Dear Mr. Lorfist:

One of the purposes of the Defense Production Act of 1950 is the encouragement of exploration, development, and mining of strategic minerals and metals. Where an applicant has sufficient proven reserves of strategic materials, Federal aid in mining can be given through procurement contracts for such materials as are in short supply.

The program recently approved for encouragement of exploration of strategic materials calls for participation on the part of the applicant. For lead and fluorspar deposits it will be necessary to match Government funds on an equal basis. Funds advanced by the Government will be considered a loan, to be repaid if the exploration is profitable, but to be canceled if unsuccessful. The details of the plan, explaining the projects that will be eligible for assistance, the terms and schedules of financing, repayment, and other pertinent information, are enclosed.

A review of your application (L A-496) for aid in financing work at the Juniper mine, San Bernardino County, California, indicates that your proposal might qualify under this exploration program. Details concerning expenditures that will be considered chargeable to exploration aid will be subject to a final determination by negotiation. If your proposal were accepted for the $20,49[illegible] indicated in your application, you would have to provide $10,245 of this sum.

Before we can proceed further with consideration of your application, which may or may not require a field examination, please indicate your willingness to provide your share of the funds needed to carry out the proposed exploration. Any modification of your original proposal that you may wish to make will be considered, but you should be specific concerning the work you wish to undertake.

Very truly yours,

James A. Barr, Chief
Industrial Minerals Branch

RWVan Alstine:jah
G-6/11/51
copy to: Director's Reading file,
Room 4212, G.S.Bldg.
Branch Reading file,
Room 4212, GS Bldg.
J.J.Norton, Rm. G-228,
GS Bldg.

cc: Van Alstine, G-232
Barr
Davis
Strobel
2 copies to
Field Team, Region
III

Enclosures 7

Copy to Wardell 6/18

999.530.02