Denver Distrib

Draft

REGIONAL DIRECTOR'S OFFICE
REGION IV
AUG 15 1951
BUREAU OF MINES
DENVER, COLORADO
AUG 10 1951

350

Memorandum

Re: DMA-1569

To: Reports and Records Unit
Administrative Management Division

Franklin Boutwell White
Mine near Superior, Arizona
Exploration loan $53,307.60
Lead-Zinc

From: Lead-Zinc Branch

Subject: Denial of exploration loan

Applicant has for many years held this prospect which is described as a replaced breccia zone on a fault fissure cutting intrusive diabase. The lead and zinc minerals are oxidized at the level of the exposed workings, and contain only minor gold and silver. Applicant proposes to sink on the ore zone to a depth of 200 feet, drift on the ore, and raise. The estimated time is 6 months, and estimated cost $53,307.60.

Applicant has no money, but does have equipment and buildings valued at $6,000. Although no rental value of the equipment is listed by applicant, its value cannot be very great for 6 months. Applicant proposes to contribute his own services as supervisor at a rate of $500 per month for the 6 months. These services and rentals furnished by the applicant are in addition to the project cost cited above which is accounted for in toto by 3 items of cost listed--namely 10 "shaftmen" for 140 days, timber for underground, and powder, fuse and caps.

Applicant is obviously confused as to the regulations of the exploration program. Regardless of the geologic merits of his proposal, his main contribution is his services which can come to only $3,000 for the project, assuming that his services would be acceptable to DMA in this capacity. He cannot match funds under the program. It is recommended that the application be denied and the attached letter sent to applicant.

Returned herewith are 3 copies of form MP-103; 3 sets of maps, each containing 3 maps; 3 prints of assays and production record of the property; and 4 copies of transmittal letter dated May 25, 1951.

FWO
8-21-57

ETMcKnight:bc
G 8-7-51
Copies to: (2)
J. H. East, Jr. Region IV
Chief, Lead-Zinc Br.
E. T. McKnight
R. H. Mote
Reports and Records Unit
Director's r. file 4214

Approved:

Tom Lyon

Director, Supply Division

T. P. Billings, Chief
Lead-Zinc Branch

Br. r. file 4214 GSA
Files

DMH

REGIONAL DIRECTOR'S OFFICE
REGION IV
AUG 13 1951
BUREAU OF MINES
DENVER, COLORADO

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AUG 10 1951

Mr. Franklin Boutwell White
P. O. Box 1174
Superior, Arizona

Re: DMA-1569

Dear Mr. White:

Your application for an exploration loan of $53,907.60 to explore your mine, located 2½ miles south of Superior, has been reviewed by the Defense Minerals Administration.

To be eligible for an exploration loan on a lead-zinc deposit, an applicant must be prepared to furnish half of the expenses needed to carry out the proposed project. His services, and rental of equipment owned by him and used on the project, are permissible contributions from the applicant, but they must be given a monetary value to be matched against Federal funds. Your application indicates that you propose to match Federal funds by your own services at $500 per month and by the rental of certain equipment, but that you have no additional funds to invest. You do not indicate the rental value of the equipment eligible for credit on the project, but the amount is not large. For the 6 months time, your total contribution would be inadequate to finance half of the cost of the project. I regret, therefore, that your application must be denied.

We wish to thank you for bringing this property to our attention.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

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