Refer to	Noted	Date
	[illegible]	9/13
Answered		

SEP 7 1951 350

Re: DMA-294

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION IX
RECEIVED
SEP 13 1951
SAN FRANCISCO, CALIFORNIA

Mr. Stanley Springmeyer
Topaz Lead-Silver Mines
Minden, Nevada

Dear Mr. Springmeyer:

In reply to your letter of August 27 addressed to Mr. Tom Lyon, Director, Supply Division, the Lead-Zinc Branch will be glad to consider your revised application for exploration when it is sent in. We would like to urge that you be particularly explicit in furnishing us information on the exploration details and the requirements and costs as requested in Questions 20-24 of the application Form MF-103. Any information that is contained in your previous application will be held and can be used to supplement the exploration loan request that you send in.

Any modification of your original application will be acceptable so long as it conforms to the exploration program. However, you suggest that a mill be installed in lieu of the proposed diamond drilling and incline shaft as set up in your original application. This cannot be considered under the exploration program. Installation of a mill is for production rather than exploration and would have to be considered under an application for a direct loan. To be eligible for a direct loan which can be made for the full amount needed, the applicant must show that he has proven reserves of strategic minerals sufficient to secure the amount of the loan requested. If you have the reserves already blocked out and want to make an application for a direct loan, I am enclosing forms MF-100, MF-101 and MF-102. Either MF-101 or 102 should be filled out depending upon whether the loan requested is greater than $50,000 or less than $50,000.

It is possible to receive a Government loan for a custom mill in the full amount needed provided the applicant can show that the necessary ore is available from various mines in the district. The 50-50 participation required for an exploration loan does not apply to these direct loans for production.

Very truly yours,

RB

Copy to Bradley 9/13

Copies to: H.C. Miller Region IX
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Administrators r. file
DMA docket files

Billings, Chief,
Lead-Zinc Branch

Enclosures

ETMcKnight:emp
G 9-5-51

Nell 8/20

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

Re: DMA-294

AUG 14 1951

Mr. Stanley W. Springmeyer
Minden, Nevada

Dear Mr. Springmeyer:

In our letter to you of April 12, signed by Otto Herres, it was pointed out that your application (DMA- 294), for Federal aid to explore the Topaz Lead-Silver mines in Mono County, California 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 8/20

FJLee:sw
G 8-8-51

Copies to: Chief, Lead-Zinc Br.
E. T. McKnight
R. H. Mote
Reports and Records Unit
Director's r. file 4214 GSA
Br. r. file 4214 GSA
Files
Regional Field Team (2), Mr. Harold C. Miller