W.H.K.
Shaw

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
October 30, 1952

Mining Division
Oct 1952
BUREAU OF MINES
Denver Colorado

Mr. Adolph M. Poston
Poston Mining Company
Box 510
Canon City, Colorado

Dear Mr. Poston:

In compliance with your telephone request to Mr. R. R. McLellan, we are supplying you herewith a copy of the chemical analysis of core samples and preliminary ore-dressing tests on three ore samples from the Brown Derby Pegmatite, Project 2515, Gunnison County, Colorado.

Your attention is called to the fact that lithium (Li) is reported in all instances for the core samples, lithia (Li_2O) in the ore-dressing tests.

Inasmuch as the final report on this project is in preparation and has not been published, it is requested that this information be treated as confidential.

Very truly yours,

W. M. Traver, Jr., Chief
Colorado Branch
Mining Division, Region IV

JJS

enclosures

d'amh

cc: WHKing
2515
Colo. Branch
Chron.

Denied in Washington

November 21, 1951

387

Mr. Otto G. Klein
General Services Administration
Building 41 Denver Federal Center
Denver, Colorado

Dear Mr. Klein:

Attached is copy of our letter to Adloph M. Poston in reply to his letter dated November 15, which you referred to our office on November 16.

For your information, his reference to the Brown Derby mine, Gunnison County, Colorado, is covered in our DMA application No. 387. The engineers reported in that case "that it is improbably that a significant discovery of tantalite-columbite-microlite ores will be made at the Brown Derby mine". If Mr. Poston gives us information regarding the mine, it might be well for McMillan to take a look at it. Best regards.

Very truly yours,

J. H. East, Jr.
Regional Director

Enclosure

Copy to: P. T. Allsman

JHE:ftm

DMA File

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

AUG 31 1951

REGIONAL DIRECTOR'S OFFICE
REGION IV
SEP 4 1951
BUREAU OF MINES
DENVER, COLORADO

new

Two

Approved:

Director, Supply Division

E. R. Gardner

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

AUG 31 1951

REGIONAL DIRECTOR'S
OFFICE
REGION IV
SEP 4 1951
BUREAU OF MINES
DENVER, COLORADO

Approved: Tom Lyon

Director, Supply Division

E. P. Sandoval

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

REGIONAL DIRECTOR'S OFFICE
REGION IV
SEP 4 1951
BUREAU OF MINES
DENVER, COLORADO
AUG 31 1951

[illegible]

[illegible]

Dear Mr. [illegible]:

[illegible]

[illegible]

[illegible]

Should you [illegible], we shall [illegible] any [illegible] that you may care to [illegible].

Very truly yours,

Tom Ryan

[illegible]

[illegible]

[illegible]/ch 8-27-51

cc: [illegible]
[illegible]
Ryan
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
ROCKY MOUNTAIN REGION
REGION IV

OFFICE OF
REGIONAL DIRECTOR

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

January 3, 1951

Mr. Adolph M. Poston
Poston Mining Company
Box 510
Canon City, Colorado

Dear Mr. Poston:

This will acknowledge receipt of your letter report regarding the Brown Derby mine, Gunnison County, Colorado, dated January 2, 1951.

Your report will be forwarded to the Defense Minerals Administration, Washington, D. C., for their consideration.

Sincerely yours,

J. H. East, Jr.
Regional Director

/lm

cc: PT Alleman

Mining Division
Date Rec'd.
JAN 3 1951
BUREAU OF MINES
Denver, Colorado

December 29, 1950

Mr. Adolph M. Poston
Box 510
Canon City, Colorado

Dear Mr. Poston:

Referring to our telephone conversation of today:

Attached is an outline showing the type of information you should furnish when filing an application for Government assistance in mining.

It is my suggestion that you include with the requested information the letter from the Army requesting you to step up the production of tantalum. You should outline as clearly as you can the work that you propose to do, particularly the estimated cost of the mill and the production that you estimate you can attain.

If you will forward this report to me, we will send it to Washington by airmail and try to get action for you.

Sincerely yours,

J. H. East, Jr.

J. H. East, Jr.
Regional Director

Attachment

JHE:lm

cc: PT Alleman
WM Traver

File

orig. + one copy rec'd.

Canon City, Colorado
January 2, 1951

REGIONAL DIRECTOR'S OFFICE
REGION IV
JAN 3 - 1951
BUREAU OF MINES
DENVER, COLORADO

Mr. J. E. Kast, Jr.,
Regional Director,
United States Department of the Interior,
Bureau of Mines, Region IV,
226 New Customhouse,
Denver 2, Colorado.

Re: Brown Derby Mine,
Gunnison County, Colorado.

Dear Mr. Kast:

I am submitting, herewith, a copy of the letter received December 29th 1950 from Industrial Mobilization Division of the Signal Corps Procurement Agency, 2800 South 20th Street, Philadelphia, Pa., regarding increased production of tantalum from the Brown Derby Mine.

I am also answering the questions as accurately and possible which you have asked in regard to this operation.

1. Brown Derby Mine, present operating company is Boston Mining Company, Box 510, Canon City, Colorado. The only previous operator of this mine was the Hayden Mining Company, but I do not know what over became of this company.

2. The Hayden mining Company produced about 22.5 tons of lepidolite. Approximately 2800 pounds of the tantalum mineral microlite and 2800 pounds of beryl. The present production is about 76 tons of lepidolite per week and the beryl will run about ½ of 1% of the lepidolite. I understand that the Hayden Mining Company ceased operation because the Corning Glass Company complained that they did not keep their product constant as they apparently made no effort to control the lithia content (Li2O) so that some ship ments were high and some low in lithia, which of course was the fault of the mining company, as the structure of ore in this mine are such that if they are mined the lithia content can be controlled within ½ of 1% of the grade specified.

3. If this mineral is needed badly, at the present time, so that production should be pushed with all speed possible there should be approximately 1500 feet of development drift on the three veins on this property, in order to maintain a good production. And in order to drive these drifts as fast as possible working the clock around most of the time it will cost about $60.00 per foot including timbering where needed, making a cost of this development of about $45,000.00. This cost, of course, is higher than if we took our time to it and developed as we could while mining.

   A. Maps on this property are available as of December 1944 Geological Survey Professional Paper Number 227, which is a better map showing the veins than I could possibly draw for you. Since this map was made we have done more development work, opening up more ore and the Bureau of Mines has done more Core Drilling on this property, just last month discovering another lepidolite vein that we knew nothing about. If this development grant is made, I propose to drive 2 drifts 750 feet each, one on the vein on which we are mining now and the other on the lower vein ~~on which we~~ on the property, which is about 150 feet lower.

   B. The equipment available is just small mining equipment that we are using and it is not large enough or heavy enough for volume production, so would be of practically no value, if we step this production up to 100 tons per day.

C. The major new equipment that would be necessary to produce 100 tons of ore a day, every day, would be as follows:

One Bulldozer, to keep mine road open, as this is a shelf road up the side of the mountain and the snow has to be pushed off every day or two in the winter time, and in thawing or rained weather the road would have to have a little attention each week. I could get a good used Bulldozer, suitable for this work for about $7,500.00, a new one of course would cost a little more.

One large Air Compressor, 500 foot capacity, costing about $6,000.00.

Three Jack Hamers complete with shells and colars, cost about $1,200.00.

Three Scopers cost about $1,425.00.

500 foot Air Hose with connections $250.00.

500 foot Water Hose with connections $250.00.

2,000 foot 2 inch pipe $1,000.00.

4- Trucks, cost $14,000.00.
2- 1½ to 2 Ton Dump Body Trucks
2- 2½ to 3 Ton Dump Body Trucks

D. Present employees, 4 miners, one ore sorter, one truck driver, one Foreman and one part time machinist.

E. Additional employees for proposed developement push work will require 12 additional men. After the push developement is completed these 12 additional men plus 6 more added to present crew will be able to produce at least 100 tons of ore per day and still carry on a consistent developement program to develope additional ore as we mine. The men are available for this work in this vicinity.

F. The ore must be milled in order to recover the tantalum microlite and a mill would have to be built, in order to mill this ore as there is no mill available. I would want to build this mill at Canon City, Colorado, as I have the water already arranged for here and I could secure more efficiency by building it here. This is about 100 miles from the mine, nine miles by truck to load the ore at Penlin, Colorado and the balance of the distance by D. & R. G. R. R. Railroad. This mill should be of 100 ton capacity and the total cost would not exceed $100,000.00. Eight mill men including a machinist and one chemist and assayer would be required to operate the mill and the cost per ton for labor on a 100 ton capacity mill would be much less than on a smaller capacity mill. The men are available locally for this work and I already have my own chemist and assayer.

G. When this proposed work is completed I can produce the 100 tons of ore per day.

H. The mine developement and the building of the mill would take not to exceed four months from the time we start and if you want the job done, we will start the day after the deal is completed.

I. The mine is easy to get to and can be worked the year around as it lays only three miles from the main county road and nearly all of the mine road is on the sunny side of the mountain and in good condition at the present time.

J. In order to produce the greatest amount of tantalum microlite possible the price of the tantalum should be about $5.00 per pound, the lithia at $10.00 per unit in the crude ore or $30.00 per unit in the powdered mill concentrate, and the beryl should be $26.00 to $30.00 per unit of BeO.

4. Estimated Ore Reserves:

A. Approximately 21,000 tons of lepidolite averaging 2% Li_2O.
Approximately 20,000 tons of tantalum microlite ore averaging 0.35% microlite, which is 7 pounds per ton.
Approximately 100 tons of beryl.

B. Approximately 20,000 tons of lepidolite averaging 2% Li_2O.
Approximately 20,000 tons of tantalum microlite ore averaging 0.35% microlite, which is 7 pounds per ton.
Approximately 100 tons of beryl.

C. Approximately 20,000 tons of lepidolite averaging 2% Li_2O.
Approximately 20,000 tons of tantalum microlite ore averaging 0.35% microlite, which is 7 pounds per ton.
Approximately 100 tons of beryl.

5. As far as I know there are no engineers reports on this property, but the extensive work done on this property by the U. S. Government Geological Survey plus any additional information that any engineer or member of the Bureau of Mines or Geological Survey if you care to send any of them to investigate the property to a greater extent will give you more information than I could furnish in any maps that I could make, and I think my figures on ore reserves would not miss it very far.

6. The management has had a good many years experience in mining and able to properly handle the operation.

7. This proposal is submitted in answer to the inquiry made by Signal Corps Procurement Agency of the U. S. Army and I am able and willing to do my level best to produce this mineral if it is needed badly, but in so doing, I would have to have the financial help to the extent of the approximate totals as outlined in this letter, and the equipment including mill would have to be subject to the five year write off on taxes for depreciation, and I would have to have a guarantee of a market for the product for a long enough period to pay back the loan. Also if I am to make the such development drive, which of course, would be much more expensive than here I to develope this property as I mine ore, this development money amounting to about $65,000.00 should be a grant, as it would hardly be just for me to foot that bill, if I am willing to do everything necessary to produce this mineral with all the energy and drive that I know how to put into the job, as a good part of the $65,000.00 would be money that I would never spend in ordinary mining.

8. It is impossible for me to secure such a large amount of money locally so if I am to mine and mill this ore in large quantities I will have to have the help as outlined in this letter. The figures are approximate figures and I am giving them to you without getting the exact prices, but this I will do if you want me to put this job over, but the exact figures would not miss the figures in this letter to exceed two or three thousand dollars at the most.

Assuring you that I wish to help in any way that I can in the present emergency and trusting that I hear from you in the very near future so I will know how to plan ahead, I am,

Very truly yours,

Alexander M. Poston,
For- Poston Mining Company
Box 510,
Canon City, Colorado.

one/ Copy Letter-