1. allaman
2. DMA files

REGIONAL DIRECTOR'S
OFFICE
REGION IV
AUG 17 1951
BUREAU OF MINES
DENVER, COLORADO

AUG 15 1951

Re: DMA- 531

Mr. Purvis C. Vickers
Vickers Brothers
Lake City, Hinsdale County, Colorado

Dear Mr. Vickers:

In our letters to you of April 12 and May 15, signed by Otto Herres, it was pointed out that your application (DMA- 531), for Federal aid to explore and develop the Independence Group of claims, Galena mining district, Colorado, 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

FJLee:sw
G 8-10-51

Copies to: Jack H. East Jr.-Region 4
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 DIRECTOR'S
OFFICE
REGION IV
AUG 17 1951
BUREAU OF MINES
DENVER, COLORADO

AUG 15 1951

Re: DMA- 531

Mr. Purvis C. Vickers
Vickers Brothers
Lake City, Hinsdale County, Colorado

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Very truly yours,

Tom Lyon
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Files

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

May 6, 1951

DMA-531
Independence Group
Hinsdale County, Colorado
Vickers Brothers

Honorable Edwin C. Johnson
Honorable Eugene D. Millikin
United States Senate
Washington 25, D. C.

Dear Senators Johnson and Millikin:

I wish to thank you for your letter of May 4 concerning the application of Curvin C. Vickers for Government assistance under the Defense Production Act on the Independence group of mining claims, Hinsdale County, Colorado.

The Lead-Zinc Branch of DMA has been informed by your letter that Mr. Vickers is in a position to contribute his share of the matching money required for exploration assistance on his property. This being the case, his application will be considered promptly.

Sincerely yours,

JAMES BOYD
Administrator

OHERRES:ks

cc: Administrator
Mr. Strobel
Mr. Mote
Mr. Herres
Mr. McKnight
Files
Mr. Moon
2 copies to Mr. ~~David~~ J. H. East, Jr. Region IV

REGIONAL DIRECTOR'S OFFICE
REGION IV
MAY 17 1951
BUREAU OF MINES
DENVER, COLORADO

REGIONAL DIRECTOR'S
OFFICE
REGION IV
MAY 18 1951
MINERAL GRANTS

May 15, 1951

In reply please
refer to DMA-531

Mr. Purvis C. Vickers

Lake City, Colorado

Dear Mr. Vickers:

This is in reply to your letter of April 29, 1951, relative to your application, DMA 531, for a mining loan.

In order for your property to qualify for a mining loan the applicant must demonstrate that there are sufficient proven ore reserves of commercial grade to amortize the loan. The documents supporting your application do not demonstrate that there are proven reserves of this magnitude on the property.

The work you propose to do with money, if the loan is granted, is clearly exploration. Driving a tunnel to intersect the projection of a vein 900 feet below the last known occurrence of an ore body, without first exploring by drilling or other means, includes an element of risk greater than is inherent in most exploration projects. Under these circumstances if we are to give your proposal serious consideration it must be transferred to the Government exploration program outlined in our letter of April 12, 1951. If you would care to apply for this type of financial assistance, please fill out forms MF 103 sent to you in our earlier letter.

We shall hold your original application pending your decision in this matter.

Very truly yours,

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

Copies to: J.H. East, Jr.,
Region IV (2)
Chief, Lead-Zinc Br.
E.T. McKnight 4204 GSA
L.B. Moon
R.H. Mote
L.F. Strobel
T. Lyon
Files
Dr. Read. file, 4212 GSA
Br. Read. file, 4212 GSA

ALBrokaw/drc
G: 5-15-51

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

APR 12 1951

Mr. Purvis C. Vickers
Vickers Brothers
Lake City, Colorado

In reply please
refer to DMA-531

Dear Mr. Vickers:

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 proven reserves of strategic materials, Federal aid in mining can be given through procurement contracts for such materials as are in short supply. On the strength of these contracts, the applicant can obtain private financing in most instances.

The program recently approved for encouragement of exploration of strategic materials calls for participation on the part of the applicant. For zinc and lead 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 (DMA-531) for financial aid in exploring and developing the ore body on the Independence Group of claims by driving a 2000 foot tunnel, and purchasing the necessary materials to carry out the project indicates that part of your proposal may be considered under this exploration program. Details concerning expenditures that will be considered chargeable to exploration aid will be subject to a final determination by negotiation, but as a preliminary appraisal, we believe that the program will apply to part of your application, $90,000.

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,

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

ALBroker:bsp
G 3/23/51

Copies to: Chief, Lead-Zinc Branch
USGS McKnight
L. B. Moon
R. H. Mote
2 copies to J. H. East, Jr.
Exec. Officer, Region IV

Enclosures

L. F. Strobel
C. O. Mittendorf
Files

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

March 7, 1951

Hon. Edwin C. Johnson
United States Senate
Washington, D. C.

My dear Senator Johnson:

In reply to your letter of February 2, 1951 concerning the status of the application of Purvis C. Vickers for a Government loan under the Defense Production Act on the Independence group of mining claims, Hinsdale County, Colorado:

Mr. Vickers' proposal is of an exploratory nature and under the policy that has recently been approved and announced to the public, any Government loans made for exploration of a mine containing strategic or critical metals or minerals will be on a matching basis. This necessitates informing Mr. Vickers of this policy and getting assurance from him that he is interested in supplying part of the funds for the exploration. This will be done in the very near future, as soon as the necessary instructions and "ground rules" have been printed.

I would like to have you assure Mr. Vickers that the Defense Minerals Administration will give full consideration to his application as promptly as possible.

Mr. Vickers' letter to you is being returned as you requested.

Sincerely yours,

JAMES BOYD

Administrator

Attachment

A. Briggs:jr
Q: 2/28/51
Copies to: Chief, Lead-Zinc Br.
USGS - McKnight
J. H. Hedges
L. H. Soto
Strobel
Mittendorf
2 copies to Executive Officer,

Letter to Boockmann

Letter sent to Gen. Niles for "application" file for Q.

Moe uson file

January 2, 1951

Mr. Purvis C. Vickers
Lake City, Colorado

Dear Mr. Vickers:

This will acknowledge receipt of your letter dated December 29, 1950, requesting application forms for Government mining loan.

We are enclosing five copies of Form MSRB-146, Application for Government Loan under Section 302 of the Defense Production Act of 1950. We are also enclosing an outline which indicates the type of information you should furnish with your application.

You should forward four copies of the application to this office, or you may forward them direct to Dr. James Boyd, Administrator, Defense Minerals Administration, Interior Building, Washington 25, D. C.

Sincerely yours,

J. H. Ernst, Jr.

J. H. Ernst, Jr.
Regional Director

Enclosures 6

/lm

cc: PT Allsman
JH Trever

Mining Division
Date Recd.
JAN 3 1951
BUREAU OF MINES
Denver, Colorado

Lake City, Colorado
December 29th, 1950

REGIONAL DIRECTOR'S
OFFICE
REGION IV
JAN 2 - 1951
BUREAU OF MINES
DENVER, COLORADO

Bureau of Mines
c/o Mr. Jack East Regional director
224 New Customhouse
Denver 2, Colorado

Dear Sir:

Would you be so kind as to send me 3 copies of the questionnaire for applicants for a mining loan. We have 3 large groups of base medal claims that we would like to obtain a loan on and any information that you might be able to give me in regard to this loan would be greatly appreciated. This Independence, Empire-chief group has a lot of valuable lead-zinc that we are anxious to get back into production.

Please send these questionnaires to me at Thorp Spring, Texas I am down here to spend the holiday season with my wifes folks. Thanks very much for this information.

Very truly yours

Purvis C. Vickers

Purvis C. Vickers