Home file Home

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

DMEA
Date Rec'd.
MAY 14 1956

MAY 10 1956

BUREAU OF MINES
Denver, Colorado

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
Bureau of Mines
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMA 931
Chattanooga Mining Syndicate
Giant King, et al. claims
San Juan County, Colorado

Dear Mr. Traver:

This will acknowledge your memorandum dated May 1, 1956, in which you enclosed a letter from Mr. L. M. Perkins concerning Docket No. DMA 931.

Please be advised that Docket No. DMA 931, filed by the Chattanooga Mining Syndicate, San Juan, Colorado was denied on October 18, 1951 for a production loan. This Docket was transferred to the Defense Materials Procurement Agency and is now in the custody of the Emergency Procurement Service of the General Services Administration.

Mr. Perkins' letter is being forwarded to the Emergency Procurement Service for reply.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

APPROVED:

Robert W. Gehan
Member, Bureau of Mines

N. E. Nelson
Member, Geological Survey

May 1, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: DMA 931 ? Chatanooga Mining Syndicate (Giant King et al claims), San Juan County, Colorado

Enclosed for your reply are the original and one copy of a letter from Lewis M. Perkins who states that a Subordination Agreement was recorded in the San Juan County Records.

A search of our files indicates that the application of the Chatanooga Mining Syndicate, DMA Docket 931, was withdrawn on October 19, 1951. We have no knowledge of a Subordination Agreement being recorded in this region on the subject property or any other property. We believe it advisable that Mr. Perkins should receive a reply to his letter from your office.

DMEA Field Team, Region III

By W. M. Traver
Executive Officer

HMC

Enclosure

HMC:ab

cc: DMA Docket 931
Chron.

May 1, 1956

224 New Customhouse
Denver 2, Colorado

Mr. Lewis M. Perkins
125 E. 10th Street
Durango, Colorado

Re: Charles C. Goulding

Dear Mr. Perkins:

Your letter of April 29, 1956 is being forwarded to the Washington Office, DMEA, for reply since we have no knowledge of the "Landlord's Subordination Agreement" being recorded in San Juan County Records.

Very truly yours,

W. M. Traver

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Hmc
HMC:ab

cc: Sec. Op. Comm. (2)
Subject
Chron.

MINERAL DEPOSITS
DMEA
RECEIVED
APR 30 1956
U.S.
GEOLOGICAL SURVEY
DENVER, COLORADO

DMA 231

LEWIS M. PERKINS
ATTORNEY AT LAW
125 EAST 10th STREET
DURANGO, COLORADO

DMEA
Date Rec'd
APR 30 1956
BUREAU OF MINES
Denver, Colorado

Defense Minerals Administration

Denver Federal Center, Denver, Colorado.

April 29, 1956

Gentlemen:

Re: Charles C. Goulding

Around August 1, 1951 Charles C. Goulding as owner of, Patented Mining Claims in San Juan County Colorado, entered into a escrow agreement with Chattanooga Mining Syndicate 605 Majestic Bldg., Denver, Colorado.

The property involved were Giant King 1789 A, Pride Lode 558 A Mountain Chief 560 A; Shelbyville 18168, Valley Lode 570-A; Silver Crown 1788A and Wonderful 559A. This for your assistance in making identity of the matters involved.

Mr. Goulding signed "Landlord's Subordination Agreement" but I do not think that the Defense Minerals ever advanded the money for the proposed loan. However the Landlord's Subordination Agreement went of record in San Juan County Records. Mr. Goulding was paid nothing, the option was not taken up, and he is now in process of dealing with others for the property. The examining attorney passing on the Goulding title has rejected the same on the basis of paragraphs in the subordination contract.

My purpose in writing you is to ascertain whether or not any loan was ever actually implemented to Chattanooga Mining Syndicate. A letter or other authentic record from your files indicating that the government has no claim or lien against the Goulding property would satisfy the examining attorney I am certain.

Would you be so kind as to write me as to the situation and confirm my understanding that no loan was made and no liability on Mr. Chas. C. Goulding? It would be very helpful if you could answer this at once.

Yours very truly,

L. M. Perkins

OCT 19 1951

DEFENSE MINERALS DIRECTOR'S
OFFICE
REGION IV
OCT 22 1951
BUREAU OF MINES
DENVER, COLORADO

Re: DMA-931

WDYA

Mr. R. E. Dillon
Chattanooga Mining Syndicate
P. O. Box 1257
Denver, Colorado

Dear Mr. Dillon:

Reference is made to your application for a loan under Section 302 of the Defense Production Act of 1950, filed with the Defense Minerals Administration on April 5, 1951. A set of forms under our exploration program was sent to you July 2, and also to Mr. R. L. McDougal on August 3, 1951. As we have not received the Forms MF-100, and MF-103 from either you or Mr. McDougal, we are considering your application as withdrawn.

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:emp
G 10-15-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
O. M. Bishop
Directors r. files 4214 GSA
Br. r. files 4214 GSA
Administrators r. file
DMA docket files

J.F.L.

REGIONAL DIRECTOR'S
OFFICE
REGION IV
OCT 24 1951
BUREAU OF MINES
DENVER, COLORADO

OCT 18 1951

Re: DMA-931
Chattanooga Mining Syndicate
Silver Crown Group, Colorado
Exploration loan, $20,000 to
$30,000
Lead, zinc, copper

Memorandum

To: Reports and Records Unit
Administrative Management Div.

From: Chief, Lead-Zinc Branch

Subject: Denial of exploration loan

The applicants requested application forms for an exploration loan. Both Mr. Dillon on July 2, and Mr. McDougal on August 3, were sent sets of the necessary application forms. There has been no reply so that it may be assumed that they are not interested in applying for a loan at this time. It is recommended that the attached letter be sent to the applicant so that the docket can be closed.

Returned herewith are:

Letter dated 6-20 from applicant to Otto Herres
" " 3-30 from J. H. East, Jr. to Administrator
Inventory of equipment and small tools
A bound brochure and a separate map.

J.F.S.

Tom Lyon

T. P. Billings by JFS
T. P. Billings, Chief
Lead-Zinc Branch

Approved:

Director, Supply Division

FJLee:mp G 10-15-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
O. M. Bishop
Directors r. files 4214 GSA
Br. r. files 4214 GSA

Administrators r file
DMA docket files

April 16, 1951

In reply please refer to MMA-931

Mr. H. E. Dillon
Chattanooga Mining Syndicate
P. O. Box 1257
Denver, Colorado

Dear Mr. Dillon:

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, lead, and copper 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 (MMA-931) for financial aid in bringing into production your Silver Crown group of claims in San Juan County, Colorado indicates that some exploration work for the purpose of proving up ore reserves would be desirable. If the exploratory work shows that there is a sufficient proven reserve of strategic materials which are needed for national security, a procurement contract can be negotiated with the Government. With such a contract as collateral private sources can be approached for a loan which would be guaranteed by the Federal Reserve Bank.

If you wish to participate in an exploration program as outlined, please make formal application on the enclosed forms, stating specifically the work you wish to undertake. A review of this proposed work and perhaps a field examination will be necessary before funds can be granted.

Very truly yours,

Otto Herres
Otto Herres, Chief
Lead-Zinc Branch

EJLyons:emp G 4/16/51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
B. T. McKnight 4204 GSA
L. B. Moon
R. H. Note
L. F. Strobel
C. O. Mittendorf Files

Enclosures

Mining Division
Region IV

March 30, 1951

Mr. H. N. Dillon, President
Chattanooga Mining Syndicate
P. O. Box 1257
Denver, Colorado

Dear Mr. Dillon:

This will acknowledge receipt of your letter of March 23, submitting preliminary data on your property located in San Juan, County, Colorado, known as the Silver Crown Group.

This information is being forwarded to the Defense Minerals Administration in Washington, D. C. for consideration in connection with a mining loan.

Sincerely yours,

Paul H. Ballman
Chief, Mining Division

March 30, 1951

Dr, James Boyd, Administrator
Defense Minerals Administration
Interior Building
Washington 25, D. C.

Dear Doctor Boyd:

We are enclosing a loan application received from Mr. H. E. Dillon, Chattanooga Mining Syndicate, P. O. Box 1257, Denver, Colorado, on property located in San Juan county, Colorado, near Silverton, known as the Silver Crown Group.

Sincerely yours,

J. H. East, Jr.

J. H. East, Jr.
Regional Director

Enclosure

Original only recieved

3/30

Mining Division
Region IV

Mr. H. E. Dillon
Chattanooga Mining Syndicate
P. O. Box 1257
Denver, Colorado

Dear Mr. Dillon:

Reference is made to your undated letter regarding certain equipment. The last information we have on your application DMA 931 is a letter to you from Otto Herres. The initiative is yours to reply to that letter, sending the attached forms completed and indicating that you are willing and financially able to match funds for the exploration indicated on your Silver Crown group of claims.

Consideration of any equipment required can be made later when it is determined whether the exploration can be approved and successful if approved.

We are returning the information you enclosed.

Sincerely yours,

P. T. Allsman

PTA:ej
Attachments
DMA file -cc

Acoma
2040

Colo. Electro. Thermal Metals Co.

Mr Paul T. Allsman:

Herewith estimate of Furnace equipment which explains itsself.

Please note the underscored words regarding priority & please protect us in this matter. and advise what needs to be done to get this under way—

Your Mr. Street & I have been working on this phase of our operations ever since he came here from Salt Lake. He is very familiar with my back ground regarding this—

Of course this is a seperate operation from my former application for Silver Cam Group - except that we can use low grade ore for flux etc.

Very truly yours

Mining Division
Date Rec'd.
JUN 1 1951
BUREAU OF MINES
Denver, Colorado