FEB 15

OFFICE
REGION IV
FEB 20 1952

DMA-1079
Franklin Mining Company
Clear Creek County, Colorado
Lead-Zinc Loan

Reconstruction Finance Corporation
Washington 25, D. C.

Attention: Mr. S. A. Bingham

Gentlemen:

We refer to the application, DMA-1079, submitted under date of April 1, 1951, by the Franklin Mining Company for a direct loan in the sum of $380,000.

After careful review including a field examination, it has been decided to recommend denial of this application.

The reasons on which this decision is based are as follows:

(1) The known ore reserves, estimated as not more than 24,000 tons averaging 0.10 oz. gold, 1.5 oz. silver, 1.0% lead and 1.5% zinc per ton, are insufficient to maintain a profitable operation and fall far short of justifying even a small loan.

(2) While exploration possibilities are regarded as good, the probability of any cash return from such work is far too vague and risky and projects of this nature should be handled under the domestic mine exploration program.

The Lead-Zinc Branch concurs with the field team and its Executive Officer in the above conclusions.

By letter of even date we are advising the applicant that review of his application by Defense Materials Procurement Agency has been completed.

J.F.S.
WLD

Reconstruction Finance Corporation

Included herewith please find the complete docket.

Very truly yours,

Tom Lyon
Tom Lyon
Director
Domestic Expansion Division

Enclosures:

1. 2 copies form DEB-146 and exhibits
2. Letters to applicant, dated April 30, May 9, June 8, July 9 (2), and Dec. 4, 1951 and letters to field team, dated July 9 (2) & Oct. 16, 1951
3. Letters from applicant, dated June 21 and Nov. 5, 1951
4. Office memorandum, dated Oct. 2, 1951
5. Letter from field team, dated Jan. 25, 1952
6. Copy of field team report and recommendations

GGORDON:ks
2/14/52

cc: Young
Douglas
Feiss
T. Lyon
GE Johnson
2 copies to field Team Reg. IV
WMPA Files
Operating Committee

January 25, 1952

Memorandum

To: Defense Materials Procurement Agency
Lead-Zinc Branch
General Services Administration Building
Washington 25, D. C.

From: Regional Director, Region IV

Subject: DMA Docket 1079, Franklin Mining Company

In accordance with a request dated January 21, 1952, from Frank E. Johnson, Chairman, Operating Committee, Defense Minerals Administration, we are enclosing the brochure for DMA Docket 1079, Franklin Mining Company, 216 U. S. National Bank Building, Denver, Colorado.

J. H. East, Jr.

Enclosure

ftm/

DMA Files

January 24, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee

From: Regional Director, Region IV

Subject: DMA Docket 1079, Franklin Mining Company

This will acknowledge receipt of your letter dated January 21, regarding DMA Docket 1079, the Franklin Mining Company. The Field Team forwarded a preliminary report of this docket to Washington on November 29. In this report, we recommended that the development loan of $380,000 be denied. On the same date, we wrote Mrs. Katherine B. Geddis, in care of H. G. Angelo, stating that we had been advised by Mr. Tom Lyon that they wished to consider the property under the exploration program. We forwarded Forms MF-100 and MF-103 but heard nothing further from them.

We are forwarding the brochure to the Defense Materials Procurement Agency, Lead-Zinc Branch, General Services Administration Building, Washington 25, D. C., as requested in your letter.

J. H. East, Jr.

JHE:ftm

DMA Files

Form 6-95

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REFERENCE SLIP

DATE 1/23/52

REFERRED TO:

1. King
2.
3.
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record
..... Comment	of .....
..... Conference	..... Referring
..... Consideration	to .....
..... Filing	..... Reply for signa-
..... Instructions	ture of .....
..... Investigation	..... Rewriting
..... Initials	..... Signature
..... Mailing	..... Suggestions
..... Previous correspondence	..... Your information

REMARKS: WHERE IS THIS DOCKET? PLEASE FIND IT & BRING IN TO ME---JHE.
---Letter from Frank Johnson requesting return of DMA 1079, Franklin Mining Company

Check (X) before the items needing attention.

Initials of sender.

GPO 16—51162-1

Finally
where is
this docket?
Yes find it and
bring it to me

FICE OF THE ADMINISTRATOR

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

JAN 21 1952

Mr. J. H. East, Jr.
Executive Officer, Region IV
Bureau of Mines
224 New Customhouse Building
Denver 2, Colorado

Re: DMA Docket 1079
Franklin Mining Co.

Dear Mr. East:

The Lead-Zinc Branch of Defense Materials Procurement Agency is in receipt of a letter dated December 18, 1951 from Homer G. Angelo, Attorney at law in San Francisco. The letter indicates a carbon copy was sent to you. You will note the following sentence therein:

"I do not believe, however, that Mrs. Laddis wishes to make any application on behalf of the trust at this time," We take this to mean that no exploration loan application is to be prepared at this time and in order that the Defense Materials Procurement Agency may formally act on the direct loan it will be necessary to have the docket returned. Therefore will you please send the docket direct to the Defense Materials Procurement Agency, Lead-Zinc Branch, General Services Administration Building, Washington 25, D. C.

Frank E. Johnson
Chairman
Operating Committee

Approved:

J. N. Hedges
Bureau of Mines

T. P. Thayer
Geological Survey

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

JAN 21 1952

Mr. J. H. East, Jr.
Executive Officer, Region IV
Bureau of Mines
224 New Customhouse Building
Denver 2, Colorado

Re: DMA Docket 1079
Franklin Mining Co.

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(signed) FRANK E. JOHNSON

Chairman
Operating Committee

Approved:

Bureau of Mines

Geological Survey

JCHamilton:pk
255600
1/10/52
Copy to: Mr. Feiss
Mr. Young
Mr. Douglas
Mr. Lyon
Mr. Johnson 7010
DMA Files
DMPA Files

DEC 4 1951

DMA-1079
Franklin Mining Company
Denver, Colorado

Mr. Homer G. Angelo
Attorney at Law
Mills Tower
San Francisco 4, California

Dear Mr. Angelo:

Your letter of November 5, 1951 to Mr. Thomas P. Billings, Chief, Lead-Zinc Branch DMA has come to my attention. Mr. Billings has recently resigned.

Upon inquiry I have learned that the subject loan application was sent to the Field Team for the purpose of investigation. The latest word is that a field examination has been made and a report is to come forward in the near future.

Very truly yours,

G. E. Johnson, Acting Chief
Lead-Zinc Branch

GEJOHNSON:ks
11/30/51

cc: GEJOHNSON
DMPA Files

2 cc to Mr. J.H.East Region IV 224 New Customhouse, Denver 2, Colo.

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

224 New Custom House
Denver 2, Colorado

November 29, 1951

Mrs. Katherine B. Geddis
% H. G. Angelo
2100 Mills Tower
San Francisco, California

Re: DMA Docket 1079

Dear Mrs. Geddis:

We are advised by Mr. Tom Lyon, Chairman, Coordinating Committee, Defense Minerals Administration, Washington, D. C., that you would like to have us consider your property, DMA Docket 1079, the Franklin, Oro Fino, and Mary P. Claims, under the government exploration program.

We will do this as soon as possible after we receive your completed application for an exploration loan on forms, MF-100 and MF-103, 5 copies of which are attached.

Very truly yours,

J. H. Ernst

J. H. Ernst, Jr.
Executive Officer
DMA Field Team, Region IV

Enclosure

WDMifwo
cc: H. G. Angelo
Traver
Kanchmann
Kanchmann
DMA Docket
Chron

224 New Customhouse
Denver 2, Colorado

October 23, 1951

Memorandum

To: A. H. Koschmann

(Through Chief, Mining Division, Region IV)

W. M. Traver

From: DMA Field Team, Region IV

Subject: DMA Docket 1079, Franklin, Oro Fino and Mary P. Claims, Gilman Gulch, Clear Creek County, Colorado

Herewith is a copy of a letter from the Chairman of the Coordinating Committee which is self explanatory. Please give this request your early attention.

Paul T. Allsman, Alternate

A. H. Koschmann

A. H. Koschmann

Attachment

PTA:oj
cc: DMA subject, chron.
Koschmann

gTE

REGIONAL DIRECTOR'S OFFICE
REGION IV
OCT 19 1951
BUREAU OF MINES
DENVER, COLORADO
OCT 16 1951

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

DMA-1079
Franklin, Oro Fino and
Mary P. Claims
Gilson Gulch, Clear Creek
County, Colorado

Mr. J. H. East, Jr.
Executive Officer DMA Region IV
224 New Customhouse Building
Denver 2, Colorado

Dear Mr. East:

Please send in your field team report as soon as possible covering DMA-1079 for a direct loan in the amount of $380,000 on the Franklin, Oro Fino and Mary P. Claims, Gilson Gulch, Clear Creek County, Colorado.

The trustee, Katherine B. Geddis, for the property, advises through her attorney H. G. Angelo, 2100 Mills Tower, San Francisco, California, that in the event the property will not qualify for the direct loan, she would like us to consider the property under the Government exploration program. So we would like your opinion as to an exploration loan for this property for our consideration along with your report regarding a direct loan.

Very truly yours,

Tom Lyon

Chairman, Coordinating Committee

APPROVED:

Powell B. Moon

For Bureau of Mines

T. P. Thayer

For Geological Survey

Copy sent to Kaschmann + Traver 10/23/51
O. Jones.

20th Floor Customhouse
Denver 2, Colorado

November 29, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: Preliminary Report, DMA Docket 1079, Franklin Mining Company, applicants Franklin, Geo Flan, and Mary F. Leadline Kirma, Independent Mining District, Clear Creek County, Colorado

Enclosed herewith are the original and two copies of the report on the subject docket.

We concur with the conclusions and recommendations of the examining team that the development loan of $300,000 be denied.

The company has stated that they would like to be considered for an exploration loan. Investigations by the U. S. Geological Survey and the U. S. Bureau of Mines will be started as soon as this office receives the applicant's application for an exploration loan.

The brochure will be held here in this office until a final report on the exploration application is completed.

J. H. Eastman, Jr.

J. H. Eastman, Jr.

F. H. Koehlmann

F. H. Koehlmann

Enclosure

WDM-✓

WHE:Bmb
cc: Koehlmann, DMA Docket, Circum

224 New Customhouse
Denver 2, Colorado

July 16, 1951

Memorandum

To: M. M. Tanner, Jr. (with brochure)

(Through Chief, Mining Division)

A. H. Koschmann

From: DIA Field Team, Region IV

Subject: DIA 1079, Franklin Mining Company, Clear Creek County, Colorado

We are forwarding you DIA Docket 1079, Franklin Mining Company. This application is for a direct loan and not for an exploration loan. The examination should not be undertaken until all exploration projects have been examined that have been referred to you.

A copy of Mr. Lyon's letter is attached.

J. H. East, Jr.

A. H. Koschmann

Enclosures

Koschmann
Allman
DIA

Paul:

Koschmann talked to me this morning about this and said it would probably require a memo from the examiners. Please advise me if such is the case

WMT

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
DENVER, COLORADO

Region IV

Building 20
Denver Federal Center
October 25, 1951

Mining Division
Date Rec'd.
OCT 26 1951
BUREAU OF MINES
Denver, Colorado

Memorandum

To: Chief, Mining Division, Region IV

From: Chief, Colorado Branch, Mining Division

Subject: DMA Docket 1079, Franklin, Oro Fino and Mary P. Claims, Gilson Gulch, Clear Creek County, Colorado

Reference is made to your memorandum of October 23, 1951, transmitting a copy of Tom Lyon's undated letter regarding the report on the above docket.

Inasmuch as the request was for a direct rather than an exploration loan, the examining team has spent only such time on the docket as was available after more important examinations were completed. However, R. R. McLellan, the Bureau representative on the team, reports that he has completed sufficient work to justify an unqualified statement that, in his opinion, the property does not qualify for the direct loan requested. He believes the property merits consideration under the exploration program and intends to make such a suggestion in his report recommending denial of the direct loan.

Sampling is well along at the property but it will probably require at least another month to complete the underground sampling, mapping, and the writing of the final report.

Discussed with Traver 10/29/51 PFA

W. M. Traver, Jr.

W. M. Traver, Jr.

WMT/dd

Mining Division
Date Rec'd
OCT 26 1951
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20
Denver Federal Center
October 25, 1951

Memorandum

To: Chief, Mining Division, Region IV

From: Chief, Colorado Branch, Mining Division

Subject: DMA Docket 1079, Franklin, Oro Fino and Mary P. Claims, Gilson Gulch, Clear Creek County, Colorado

Reference is made to your memorandum of October 23, 1951, transmitting a copy of Tom Lyon's undated letter regarding the report on the above docket.

Inasmuch as the request was for a direct rather than an exploration loan, the examining team has spent only such time on the docket as was available after more important examinations were completed. However, R. R. McLellan, the Bureau representative on the team, reports that he has completed sufficient work to justify an unqualified statement that, in his opinion, the property does not qualify for the direct loan requested. He believes the property merits consideration under the exploration program and intends to make such a suggestion in his report recommending denial of the direct loan.

Sampling is well along at the property but it will probably require at least another month to complete the underground sampling, mapping, and the writing of the final report.

W. M. Traver, Jr.

W. M. Traver, Jr.

cc PTAllsman
AHKoschmann
DMA 1079
DMA Chron.

REGIONAL DIRECTOR'S
OFFICE
REGION IV
MAY 14 1951
BUREAU OF MINES

EJLyons:emp G 5/9/51
Copies to: J. H. East, Jr. Region IV
Chief, Lead-Zinc Br. R. H. Mote
E. T. McKnight 4204 GSA L. F. Strobel
L. B. Moo T. Lyon Files

May 9, 1951

Re: Docket DMA-1079

Franklin Mining Company
216 U.S. National Bank Building
Denver, Colorado

Gentlemen:

Your application (Dma-1079) for a loan of $380,000 to explore and develop your property in Clear Creek County, Colorado and to erect a mill, has been reviewed by the Lead-Zinc Branch of the Defense Minerals Administration.

Government aid to the mining industry at the present time is taking one of the following forms:

(1) Direct loans which are obtained from the Reconstruction Finance Corporation upon certification by the Defense Minerals Administration.

(2) Procurement contracts for zinc and lead which guarantee to the producer a price which is determined by negotiation and does not exceed the current market price based on smelter settlements. The Government does not purchase the ore under these contracts.

(3) Exploration loans which are granted on a participating basis. In the case of zinc, lead, and copper deposits it is necessary for the applicant to pay 50 per cent of the total cost of the project in cash, rental of equipment owned by him, or similar contributions. Detailed information is given in the enclosed forms.

(4) Tax amortization which must be certified by the Defense Minerals Administration.

To obtain a direct loan or procurement contract the applicant must show that his property contains sufficient proven reserves of mineable grade. No data was submitted with your application regarding the present reserves of your mine, but we will be glad to consider any such information that you may care to send us.

If you would like to participate in the exploration program, please fill out and return the enclosed forms stating exactly the work you wish to undertake. A field examination of your property may be required before action can be taken on your application.

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

Enclosures