DMA

DEFENSE MATERIALS PROCUREMENT AGENCY
WASHINGTON 25, D. C.

REGIONAL OFFICE
REGION IV
DEC 27 1951
BUREAU OF MINES
DENVER, COLORADO

Mr. William L. Hout, President
American Chem-Metal and Electronic Labs, Inc.
4576 Tennyson Street
Denver 12, Colorado

DMA 1192

Dear Mr. Hout:

Your application for a Government loan of $15,000 to construct a pilot plant for developing a metallurgical process for increased lead, copper and zinc production has been reviewed by the Lead-Zinc Branch.

In the opinion of the Field Team, Region IV, who evaluated the technical aspects of the proposed process, the project is not feasible economically. All representatives of the Lead-Zinc Branch are in complete agreement with this opinion. I regret, therefore, that your application for a loan cannot be approved.

The reasons for this action are as follows:

1. The process is complex, requiring considerable special equipment and the integration of numerous difficult metallurgical operations. In view of this, the cost estimates furnished by the company for a 50-ton per day plant probably are much too low.

2. The requested grant of $15,000 to build and operate a pilot plant to produce 1-ton per day of finished product is wholly inadequate and the actual requirements would be many times $15,000.

3. Virtually no factual technical data specifically describing the process or the laboratory results obtained are given in DMA Docket 1192. Without data supporting the numerous claims of low cost and metallurgical efficiency of the process, it is necessary to rely on experience with similar roasting, leaching and refining practices to draw the conclusion that the proposed process, while it may be metallurgically feasible, will at best be expensive as to plant and operating costs and applicable to only select type ores.

We wish to thank you for bringing this process to our attention.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Program Development Division

KMNote:ks;pk
12/18/51
Copy to: Mr. Young Feiss Douglas Lyon
G. E. Johnson Field Team IV DMPA File

224 New Customhouse
Denver 2, Colorado

September 11, 1951

AIR MAIL

Memorandum

To: Tom Lyon, Chairman, Coordinating Committee
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: DMA 1192, Application of American Chem-Metal & Electronics Lab's Inc., Denver, Colorado

Referring to your letter dated September 5, 1951, the original application of the American Chem-Metal and Electronics Lab's, Inc., is enclosed herewith.

This brochure was inadvertently omitted at the time that we forwarded the completed report to you on July 23, 1951.

J. H. East, Jr.

Enclosure

FTA:ld

cc: DMA
Kosehmann

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

SEP 5 1951

DMA 1192
Lead, Silver, Copper

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

Dear Mr. East:

It has come to my attention that the original application of the American Chem-Metal and Electronic Labs, Inc. for a loan of $15,000 is in your possession. This docket is needed here in order to take final action on the applicant's proposal.

Will you please send the application (and copies) along with all other portions of DMA Docket 1192 which you have to this office.

Very truly yours,

Tom Lyon

Tom Lyon, Chairman
Coordinating Committee

Approved:

Lowell B. Moon
For Bureau of Mines

Olg T. Ron
For Geological Survey

SEP 5 1951

DMA 1192

Mr. J. H. West, Jr.
DMA Region Office IV
224 New Customhouse Building
Denver 2, Colorado

Dear Mr. West:

It has come to my attention that the original application of the American Chem-Metal and Electronic Labs, Inc. for a lease of $25,000 is in your possession. This docket is needed here in order to take final action on the applicant's proposal.

Will you please send the application (and copies) along with all other portions of DMA Docket 1192 which you have to this office.

Very truly yours,

Tom Lyon

Tom Lyon, Chairman
Coordinating Committee

Approved:

Lowell B. Moon

For Bureau of Mines

For Geological Survey

RMote:lm SEP 4 1951

cc: Reports and Records
Mote
McKnight
Moon
Billings
DMA Docket file

May 8, 1951

Memorandum

To: Landon Strobel, Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: Application of Amer Chem-metal and Electronic Laboratories, Inc.

We are enclosing the application of the above company, for your consideration.

P. T. Allsman, Alternate

Enclosures
Three copies

/al
~~cc-dma~~ files

Cherry-0667.
Charles E. Sutton,
1337 E. 11th Ave,

Mr. J.H.East,Jr.
District Region IV
U.S.Bureau of Mines
Denver, Colorado.

Dear Sir:

You may recall the conversation that Mr. Charles E Sutton had with you in regard to the desirability of providing a better and more economical treatment of Colorado ore other than provided by present smelting and milling service.

This process will increase the lead, copper and Zinc production to assist in meeting the defence requirements at a substanual saving to the mining industry and will be the means of reopening many mines now idle.

You requested Mr. Sutton to furnish you with a statement fully outlining the benefits this process would produce, this statement is attached.

After many years of experimenting we have produced outstanding results, some of which have been withessed by your Mr. A.T.Sweet and other well known Engineers, these tests conclusively prove that this process will meet the need of individual miners, cooperative groups and will solve many problems of our miners and operators.

We would greatly appreciate the oppertunity of demonstrating this process to you and will gladly make this demonstration at your convenience, we realize it is next to impossible to clearly outline on paper the results we obtain, they are outstanding.

The last page of the attached shows a comparison of costs, showing returns of a recent shipment on Zinc ore of $50.0 0 per ton as against our estimated cost of $24.00 per ton.

We will be very glad to give you any furthur information or details which might make it possible for you to give faborable consideration to our project and feel that the possibilties are so great that it will justify any time and consideration that you may give to this application.

Breifly, in addition to the money savings listed this process has other distinct advantages;

1. It provides the saving of 95% of metallics in the ore;

2. The cost of building a unit suitable for commercial use is not great- probably not over $100,000 for a 50 ton a day plant.

3. Such a plant can be located at the mine site or convenient to a group of small mines, this would provide a cooperative relationship to the benifit of all concerned;

4. 48 to 72 hours after the ore is delivered to the mill the values are known and the miner will receive his check;

5. The chemicals used in this process are, to a great extent regenerative inthe process and would not constitute a great drain on our national supply of these materials;

6. The final product is commercially pure, thus eliminating time consuming and costly steps now experienced under conventional methods. This likewise eliminates the present "deducts" which are so costly to the mine operator at the present time,

Sincerelly

American Chem-Metal &
Electronic Lab's Inc.

Wm. L. Hout

Wm.L.Hout, President.

May 5, 1951

Mr. J.H.East, Jr.
District Region IV
U.S.Bureau of Mines
Denver, Colorado

Dear Sir:

Herewith a copy of our position tabulated according to Form MF 100.

We desire to apply for a grant of $15,000.00 to furnish equipment, supply technical and administration personnel with these monies. We wish to construct a continuous pilot plant and would like to have this plant neer the Bureau Field Office or some Bureau Division which can directly observe the progress of the experimentation. We will be pleased to have very close supervision of the experiment.

We deem it would be advantageous to our project and to the industry to have this pilot plant located at the Field Office. Here small operators could observe the project when the actual production unit is in action.

Sincerely,

American Chem-Metal &Electronic Lab.Inc.

By Wm L. Hart
President.

Subject:

This is a actual smelter contract in possion of one of our associates;

In present practice the miner cannot make a successful economic venture out of the mining of Zinc from the majority of Colorado ores. This is because in the routine purchase of ores by the neighborhood smelters has been established on what is called a deduct basis. The penaltees far outweigh the premiums and the following explanation of a typical and actual schedule of payment will show little incentive to produce the metal.

This schedule is submitted in detail merely to show the ac actual return from a fairly typical concentrate which by assay contains the following metal values;

Gold---.025 ounces per ton
Silver-12.5 ounces per ton
Lead-- 5 per cent
Zinc-- 46.0 per cent
Iron-- 11.5 per cent

This ore has been mined and put through a local concentrator at a cost of $8.00 per ton for mining $5.50 per ton for shipping from mine to mill $4.50 per ton for milling or a total of $18.00 per ton. The ore is concentrated in the mill and much of the waste removed. It took 5 tons of the mined ore to make one ton of this concentrate material. Inother words this ton of concentrate,cost the miner $18.00 times 5 or $90.00 as it was ready to leave the mill.

The smelter accepted the concentrates for smelting and refining on the following terms.

1st. No gold was paid for as the gold was less than 0.03 oz per ton.

If gold was roughly $35.00 an ounce 0.03 of an ounce would be worth about a dollar per ton. Anything under this dollar can not be considered as worth anything to the miner

The Silver;

The smelter will pay for the silver under the following terms first, it must be over one ounce per ton, no pay for less than one ounce. They will then pay for 65 per cent of the silver at government price $0.90 per ounce.

The ore contained 12.5 ounces but the usual practice will subtract the assay deduction of one ounce and pay for balance so that for this item the miner will get;

12.5 ounces less 1 ounce equal 11.5 oz.
11.5 X 65 equal 7.475 oz.

the difference of 4.025 oz. will not be paid for as it is considered smelting loss.

The Lead;

Lead is not desired at the zinc smelter nor will zinc be at the lead smelter. These two metals commonly occur in the same ore. The smelter however willaccept the lead on the following terms;

The ore will be assayed the lower result or an average will be taken as the base and 65% of the lead given in this assay will be used as base for payment. Then 1.5 units (a unit is 20 lbs. or 1% of an ton)will be subtracted from this 65% of the assay as follows in this lot.

The ore contained 5% lead or 100 lbs. per ton,
65% of 5% equal 3.25%
from the 3.25% - 1.5% is deducted leaving 1.75% to be paid for but this is not all, this 1.75% or 35lbs.out of the original 100 lbs. in the ore will be paid for at market less 1 1/2 cents per pound. For this 100lbs.of lead therefore the miner gets $6.00.

The Zinc;

For the zinc which the smelter really wants, here's the deal; If the assay is less than 40% a deduction of 8% will be made before calculations, if over 40% which this lot is they will pay for 82% under certain conditions.

We have 46% zinc so we get the 46 X 82 or 37.72% to work on, we get paid for this on a well calculated manner. If the market is 8¢ a pound, our payments are at that figure, if however the market is above 8¢ a pound or in some contracts 6¢ a pound we must pay the smelter one dollar per ton additional treatment cost for each cent the zinc is above the base figure.

The base treatment cost is $37.50 per ton, but as zinc is now 17 1/2 cents per pound instead of 8¢ per pound we must pay 17 1/2 minus 8 equal 9 1/2 or $9.50 per ton added treatment or a totaltreatment charge of $47.00 per ton nor is this all for the average labor at the smelter is above $1.65 per hour we must add 15¢ per ton to the treatment charge for each cent the labor charge is above $1.65 per hour, at present time this labor is calculated at $1.85 per hour, so
1.85 minus 1.65 or 20 unit
X 15¢ or $3.00 per ton more is added to the treatment charge making the now total $50.00 per ton.

Now the freight must be pain on the finished zinc from the smelter to East St. Louis, this charge is 47.4¢ per hundred pounds of zinc or $9.48 pe ton of metal produced. Here the calculated is involved, for while we get paid for 82% of the zinc care must be taken to prevent paying freight on the amount recovered fro the lot.

We have of course an addition to the above another penalties. If the ore contains excess lime or sulpher or iron they are charged to the miner.

3- If the ore contains arsenic or bismuth or antimony this is charged as a penalty. No mention is made of cadmium or any of the rarer metals which may result from the refining.

The summery;

Concentrate assay

Gold--------0.025 oz. per ton
Silver-----12.5 oz per ton
Lead-------5% on 100 lbs/ton
Zinc------ 46% or 920 lbs. 1 ton.

Actual values

The Gold at $35.00 per ounce
.025 X 35----------$0.875
Silver at 90¢ per ounce
12.5 X 90¢ per ounce--$11.250
Lead at 17¢ per pound-----$17.000
100 lbs. at 17¢-------$17.000
Zinc at 17 1/2¢ per lb.
920 X 17 1/2¢ ------ $161.000
Total value in the ore---------- $190.125

The total cost of smelting is therefore in excess of $50.00 per ton.

And as simular deductions are made at the custom mill before the concentrates are made that cost instead of being $4.50 will with added deduction be in about the same ratio or can be roughly calculated at $10.00 per ton or another $50.00 per ton of concentrates, sometimes much more and the freight to the mill and "incidentals" just about eat up the balance of the ore value.

W L H

General Technical Data

For Use under the Defense Production Act of 1950

Form MF 100

No. 1 - Materials Produced.

(a) Chiefly lead, zinc and copper.
(b) Sulfur and the precious metals.

No. 2 - This application is for a pilot plant to carry out continuous leaching operation. We have demonstrated this process on batch and semi-continuous scale and with the pilot continuous operation to obtain operating data, prove costs and efficiency of operation.

No. 3 - The pilot plant should be located at or near a Bureau of Mines Field Office to facilitate observation by the Bureau and independent engineers. Plant should be of a size determined which will give factual data. Our estimate is that such a pilot should produce about 1 ton per day finished product. Factors which determine capacity are of course a function of the type of ore.

No. 4 - The process developed by Wm. Hout is now arranged to operation on a small (5 to 10 pound per hour) scale and is located at 4576 Tennyson and is operated by Mr. Hout. It however must operate in stages and not continuously. The plant is operated by process owner.

Nos. 5 and 6 - The process has been investigated over a period of 15 years and has not been in commercial production. It is however a successful experimental unit which can and does produce finished material which will meet commercial specifications.

No. 7 - Experience of Operators.

Mr. Wm. Hout has been experimenting and investigating the process for 15 years. He was in the mechanical division in Silver Engineer Works, directly in making sugar machinery and mechanical and chemical equipment. His study of the ores and minerals, their treatment and recovery has continued over a period of 45 years and includes laboratory (analytical) and ore dressing experience. Has mined and concentration of ores and minerals and is familiar with the economics of the lead-zinc industry. He is associated in this endeavor with men of wide mining and milling experience.

COPY

No. 7 - In general the history of this development is covered in the experience of Mr. Hout.

No. 8 - Names of Officers and Addresses.

(a) Wm. L. Hout, President - 4576 Tennyson Street
Denver 12, Colorado

C. Arthur Luellen, V. President - Rt. 1, Box 83, Derby, Colo.

Clarence J. Haven, Secretary and Treasurer - 4330 W. 35th Avenue
Denver 12, Colorado

(b) Executive Manager.

Wm. L. Hout - - - - - - - - - 4576 Tennyson Street
Denver 12, Colorado

(c) Directors and Addresses.

Wm. L. Hout - - - - - - - - - 4576 Tennyson Street
Denver 12, Colorado

C. Arthur Luellen

Mabel R. Hout - - - - - - - - - 4576 Tennyson Street
Denver 12, Colorado

Lee L. Hout - - - - - - - - - LaPorte, Colorado

Marvin C. Luellen - - - - - - 9951 Wheatland Avenue
Roscoe, California

No. 9 - Stock Issue.

1. Wm. L. Hout, Mabel R. Hout, Leland L. Hout, Donald F. Hout. 33,500 shares common capital stock.
2. C. A. Luellen - 9,000 shares common capital stock.
3. Marvin C. Luellen - 3,000 shares common capital stock.
4. C. H. Black and Dorothy H. Black - 3,500 shares common capital stock.
5. Dorothy H. Chorak - 500 shares common capital stock.

No. 10 - No production figures -- plant is experimental.

No. 11 - Yes. We intend to build a pilot plant, continuous operation, which will warrant the construction of a commercial unit of 50 or more tons per day capacity.

COPY

No. 12. - We have access to ore in the district which is amenable to the process and amounts to several million tons. They include ore from the Stanley and other mines and dump old mine waste from the entire district.

No. 13 - Roads. The Central City and Idaho Springs Districts are open to the main highways of Colorado.

No. 14 - Water Supply. Adequate.

No. 15 - Power. Available by Public Service Company.

No. 16 - Labor. Available.

No. 17 - Equipment. Part of the equipment is now in possession of company. Added is the aim of the application, together with technical and administrative personnel.

Certification

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

AMERICAN CHEM-METAL & ELECTRONIC LABORATORIES INC.

By Wm. L. Hoit.
(Signature of Authorized Official)

May 2, 1951

President

COPY

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA FOR USE UNDER THE DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. _____

Date received _____

Name and address of applicant

Date _____

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(*a*) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

American Chem-Metal and Electronic Labs, Inc.
(Name of company)

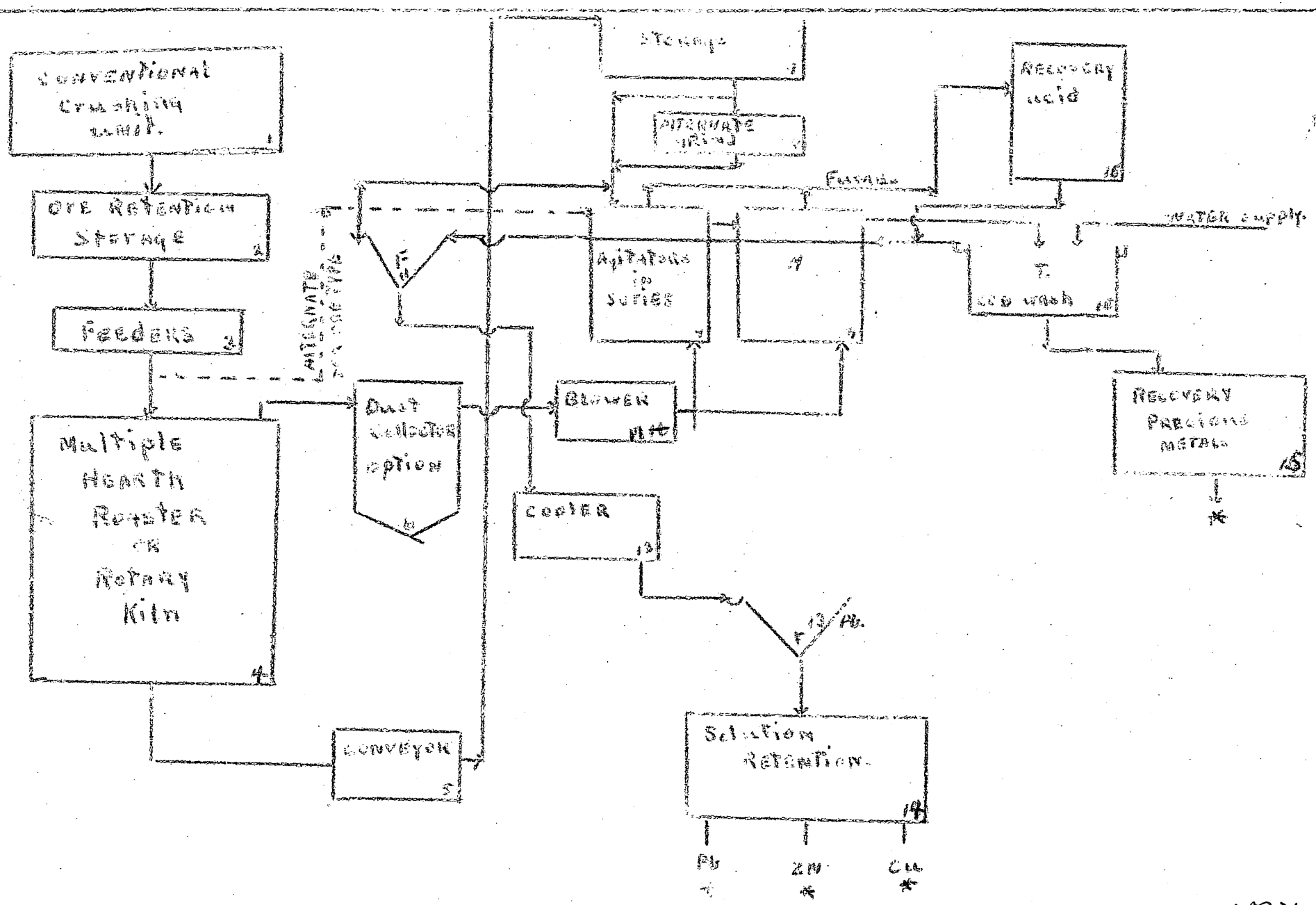
By Wm P. Hart
(Signature of authorized official)

May 2 - 1957
(Date)

President
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1



W. P. H.

Flow sheet of Heat Hydro-Metallurgical Process No. 17.

Reported to Mr. A. Lovett Denver
Mr. [illegible] Mines July 20 1900

Discription
Of
Hout Hydro-Metallurgical Process No.(7).

Attached hereto,

#4. Reaster, Multiple hearth or rotary kiln.

#7. Storage, Retention for three shift of operation.

#8. Alternate grind, Depends on ore.

#9. Agitation, Continous flow agitation.

#10. CCD. Wash, Counter current.

#12. Cooler, Clarefied liquor cooled to drop lead.

#13. Filter, Lead cake.

#14. Solution retention, To precipitate Zinc and finally copper.

W. E. H.

Estimate cost of Hout process,

Milling.		Chemical Treatment,	
Labor	1.50	Labor	$1.50
Power	0.60	Power	0.50
Repair & Maintainance	0.24	Chemicals	4.63
Balls or Rods	0.09	Office expence	0.45
Reagents	0.45	Management	0.72
Assay & Testing	0.08		$7.78
Insurance & Taxes	0.26		
	$ 3.22		$3.22
		Total	$ 11.00

Summery;		Conventional Method,	
Milling& Treatment cost	$11.00	Base charge	$37.50
Refining	4.00	Zinc adjustment	9.50
Base charge	$15.00	Labor Adjustment	3.00
Profits	4.00	Treatment charge	$50.00
	$19.00		
Adjustments on labor, tye of ore and incidentals	3.00		
	$22.00		
Amortization	2.00		
Total cost to miner	$24.00		

Differnatial
On ore at $190.125 by assay,

Value in ore	190.125	Value in ore	$190.125
	24.00		50.00
Miner gets	$166.125		$140.125

W. E. Ta.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

OFFICE OF
REGIONAL DIRECTOR

REGION IV

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

July 23, 1951

Memorandum

To: Tom Lyon, Chairman, Coordinating Committee
Defense Minerals Administration

From: BM Field Team, Region IV

Subject: DMA 1192, Application of American Chem-Metal & Electronics Lab's, Inc., Denver, Colorado

Herewith are enclosed the original and two copies of reports by the field team, G. H. Schnek and G. M. Potter of the Salt Lake City Metallurgical Division and A. T. Sweet of the Metallurgical Division field office, Denver, Colorado, as requested in your memorandum of June 22, together with comments by S. R. Zimmerley, Chief, Metallurgical Division, Region IV.

The reports indicate that the proposal has little merit. It is recommended that assistance be denied.

The original brochure is being attached.

J. E. East, Jr.

A. H. Koschmann
A. H. Koschmann

Attachments

14

cc: Koschmann
DMA

Sweet.

July 30, 1953

Memorandum

To: Tom Lynn, Chairman, Coordinating Committee
Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: DMA 1358, application of Sunrise Gas-Metal & Electrodes Mfg's, Inc., Denver, Colorado

Herewith are enclosed the original and two copies of reports by the field team, W. E. Schmid and C. H. Baker of the Salt Lake City Metallurgical Division and A. T. Shown of the Metallurgical Division Field office, Denver, Colorado, as requested in your memorandum of June 24, together with comments by A. L. Abernathy, Chief, Metallurgical Division, Region IV.

The reports indicate that the proposal has little merit. It is recommended that assistance be denied.

The original brochure is being returned.

F. E. Bell, Jr.

A. H. Rosenhaussen
A. H. Rosenhaussen

Attachments

3A

cc: Stockpiles
DMA - Lewis

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

224 New Customhouse
Denver 2, Colorado

U.S. Bureau of Mines
RECEIVED
JUL 5 1951
Salt Lake City, Utah

July 3, 1951

Memorandum

To: S. R. Zimmerley

From: Executive Officer, DMA Field Team, Region IV

Subject: Application of American Chem-Metal & Electronic Lab's Inc., Denver, Colorado , DMA Docket 1192

We are forwarding you an application of the American Chem-Metal & Electronics Lab's Inc., DMA Docket 1192.

You will note that this application is for assistance in constructing a pilot plant to develop a new metallurgical process for treating lead, zinc and copper ores. You will also notice in the letter from the Coordinating Committee that "the metallurgical process which the applicant proposes to develop is almost completely undisclosed in his application."

Also, it is stated that Andrew Sweet witnessed the process. We will secure a written statement from Andrew Sweet, but I want your office to make an independent investigation.

J. H. East, Jr.

J. H. East, Jr.

Enclosure

We have the carbon copy of this letter for our files.

file DMF.

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

224 New Customhouse
Denver 2, Colorado

July 3, 1951

U.S. Bureau of Mines
RECEIVED
JUL 5 1951
Salt Lake City, Utah

Mr. Andrew T. Sweet
Bureau of Mines
Denver Federal Center
Denver, Colorado

Dear Mr. Sweet:

We have an application from William L. Mout, President, American Chem-Metal & Electronics Lab's Inc., DMA Docket 1192. The application is in connection with a loan for construction of a pilot plant.

This application states that you have knowledge of this process and that you have witnessed the process several times. Please prepare a formal report regarding your knowledge of this process as requested by the Coordinating Committee.

The report should be submitted to Mr. Traver's office for typing.

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

JHE:ld

cc: DMA Files
Allsman
Koschmann

S. R. Zimmerley

John H. East, Jr.
Region IV
Denver, Colorado

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

June 22, 1951

Mr. William L. Hout, President
American Chem-Metal & Electronic Lab's Inc.
4576 Tennyson Street
Denver 12, Colorado

Re: DMA Docket 1192

Dear Mr. Hout:

Your application for a Government loan of $15,000 to construct a pilot plant for developing a metallurgical process for increased lead, copper, and zinc production has been reviewed by the Lead-Zinc Branch.

Since your application contains insufficient information to properly appraise the probabilities of successful results of your metallurgical process it has been referred to Mr. J. H. East, Jr., Executive Officer, Defense Minerals Administration Field Team, Region IV, Denver, Colorado, with the request that he assist you in the preparation of an application upon which definitive action can be taken.

Mr. East will doubtless get in touch with you about your application.

Yours very truly,

Tom Lyon, Director
Supply Division

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

June 22, 1951

Memorandum

Re: DMA Docket 1192

To: Executive Officer, Field Team, Region IV

From: Coordinating Committee

Subject: Application of American Chem-Metal & Electronic Lab's Inc., Denver, Colorado

The Lead-Zinc Branch has reviewed the application submitted by the American Chem-Metal and Electronic Labs. Inc., for assistance in constructing a pilot plant to develop a new metallurgical process for treating lead, zinc, and copper ores. The metallurgical process which the applicant proposes to develop is almost completely undisclosed in his application and the probabilities of successful results of the process cannot be assessed at this time. Before further action can be taken on this application it will be necessary to have a complete statement of the new metallurgical process which the applicant has developed. It would be also extremely helpful to have added to the file the written comments and findings of Bureau engineer Andrew Sweet. It is stated several times in the application that Mr. Sweet has witnessed the process.

The Lead-Zinc Branch recommends that a thorough examination of the metallurgical feasibility of the applicant's process be made to determine if the proposed project is warrented to the extent of a $15,000 Government loan.

Tom Lyon, Chairman
Coordinating Committee

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

July 12, 1951

Air Mail

Memorandum

To: J. H. East, Jr., Regional Director, Region IV
Bureau of Mines, Denver, Colorado

From: S. R. Zimmerley, Chief, Metallurgical Division,
Region IV, Salt Lake City, Utah

Subject: DMA Docket 1192

As requested in your telephone conversation yesterday, please find enclosed the original of the memorandum to me from C. H. Schack and George M. Potter, together with the other data forwarded to this office by you, in connection with the above subject.

S. R. Zimmerley
S. R. Zimmerley

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

July 12, 1951

Air Mail

Memorandum

To: J. H. East, Jr., Regional Director, Region IV
Bureau of Mines, Denver, Colorado

From: S. R. Zimmerley, Chief, Metallurgical Division,
Region IV, Salt Lake City, Utah

Subject: DMA Docket 1192

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S. R. Zimmerley

Enclosure

22h New Customhouse
Denver 2, Colorado

July 3, 1951

Memorandum

To: S. A. Elmerley

From: Executive Officer, DMA Field Team, Region IV

Subject: Application of American Chem-Metal Electronic Lab's Inc., Denver, Colorado, DMA Docket 1192

We are forwarding you an application of the American Chem-Metal Electronics Lab's Inc., DMA Docket 1192.

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J. E. Last, Jr.

Enclosure

JEL:ld

cc: DMA Files
Allaman
Koschmann

22[illegible] New Customhouse
Denver 2, Colorado

July 3, 1951

Mr. Andrew T. Sweet
Bureau of Mines
Denver Federal Center
Denver, Colorado

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The report should be submitted to Mr. Trower's office for typing.

J. R. East, Jr.
Executive Officer
DMA Field Team, Region IV

JRE:ld

cc: DMA Files
Albaugh
Kouchmann

S. A. Kimmerley

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

REGION IV
JUL 1 1951
BUREAU OF MINES
DENVER, COLORADO

June 22, 1951

Memorandum

Re: DMA Docket 1192

To: Executive Officer, Field Team, Region IV

From: Coordinating Committee

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Tom Lyon

Tom Lyon, Chairman
Coordinating Committee

APPROVED:

Lowell B. Moon
Member, Bureau of Mines

Edwin T. McKnight
Member, Geological Survey

John H. East, Jr.
Region IV
Denver, Colorado

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

June 22, 1951

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American Chem-Metal & Electronic Lab's Inc.
4576 Tennyson Street
Denver 12, Colorado

Re: DMA Docket 1192

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Tom Lyon, Director
Supply Division

JHE