UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

~~Terminated~~ (or cancelled) without certification. DMEA No. 1616

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit (Final).

Interim Audit(s).

Report of Review.

combined { Termination Notice or Agreement.
Recision Notice. }

Assignment of Contract.

Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

Subordination Agreement.

Leases and assignments of leases.

✓ Application and attachments.

Schedule of Collections.

Operator's monthly reports and all attachments (latest on top).

Right Side

Project summary.

Work completed analysis.

All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report. (Tab)

Operator's Final Report.

Interim Reports.

✓ On-site Exam Report(s). (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number _____

Operator's Monthly Reports in folder number _____

CW
Reviewer's Initials

GOVERNMENT'S COPY
Tungsten

NOTICE OF TERMINATION AND RESCISSION OF EXPLORATION PROJECT CONTRACT BEFORE WORK IS BEGUN

To: Curtis C. Johnson and Angello Dalla, partners
Durango, Colorado

Operator under Exploration Project
Contract Idm-E157, Docket No. DMEA
1616X, dated September 24, 1951.

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereby terminates and rescinds the above-mentioned contract, on the following grounds:

(a) Failure to commence work within thirty (30) days from the date of the contract; and

(b) In the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract, in that you have failed to perform any work at all.

Dated this 14th day of July, 1952.

UNITED STATES OF AMERICA

By W. H. King
Executive Officer, DMEA
Field Team, Region IV

(June 1951)

Docket No. DMA 1616X
Commodity Tungsten
Idm-E157

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

RECEIVED NOV 8 1951 G.A.O.

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 24th day of September, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] Curtis C. Johnson and Angello Dalla, partners
Durango, Colorado

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Colorado, County of San Juan described as follows: [3]

Ruby Claim Survey No. 12212, Animas Mining District

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

(*b*) ~~That he is a lessee, in possession and entitled to possession, under a valid lease agreement of the lessor as attached.~~

3. *Exploration project.* The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] tungsten ore; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] nine (9) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 75 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $3,750.00, which is 75 percent of the agreed estimated total cost of this project, $5,000.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. D. Mitteudorf

Director, Production Expansion Division
Defense Minerals Administration

Curtis C. Johnson and Angello Dalla, partners
(Operator)

By Curtis C. Johnson

Curtis C. Johnson, in behalf of the partnership.

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

EXHIBIT A - Exploration Project

The exploration to consist of driving a crosscut 100 feet to the Ruby vein at the creek level and driving 50 feet of drift on the vein from the crosscut.

The estimated cost of the project is as follows:

100 feet of crosscut @ $27.20 per foot	$2,720.00
50 feet of drift @ $27.20 per foot	1,360.00
Superintendence, 3 months @ $175.00	525.00
Equipment furnished by operator	395.00
Total	$5,000.00

The per foot cost of crosscutting and drifting includes all labor, supply, utilities, repairs and maintenance costs.

Superintendence on a part time basis is allowable for three months at $175 per month.

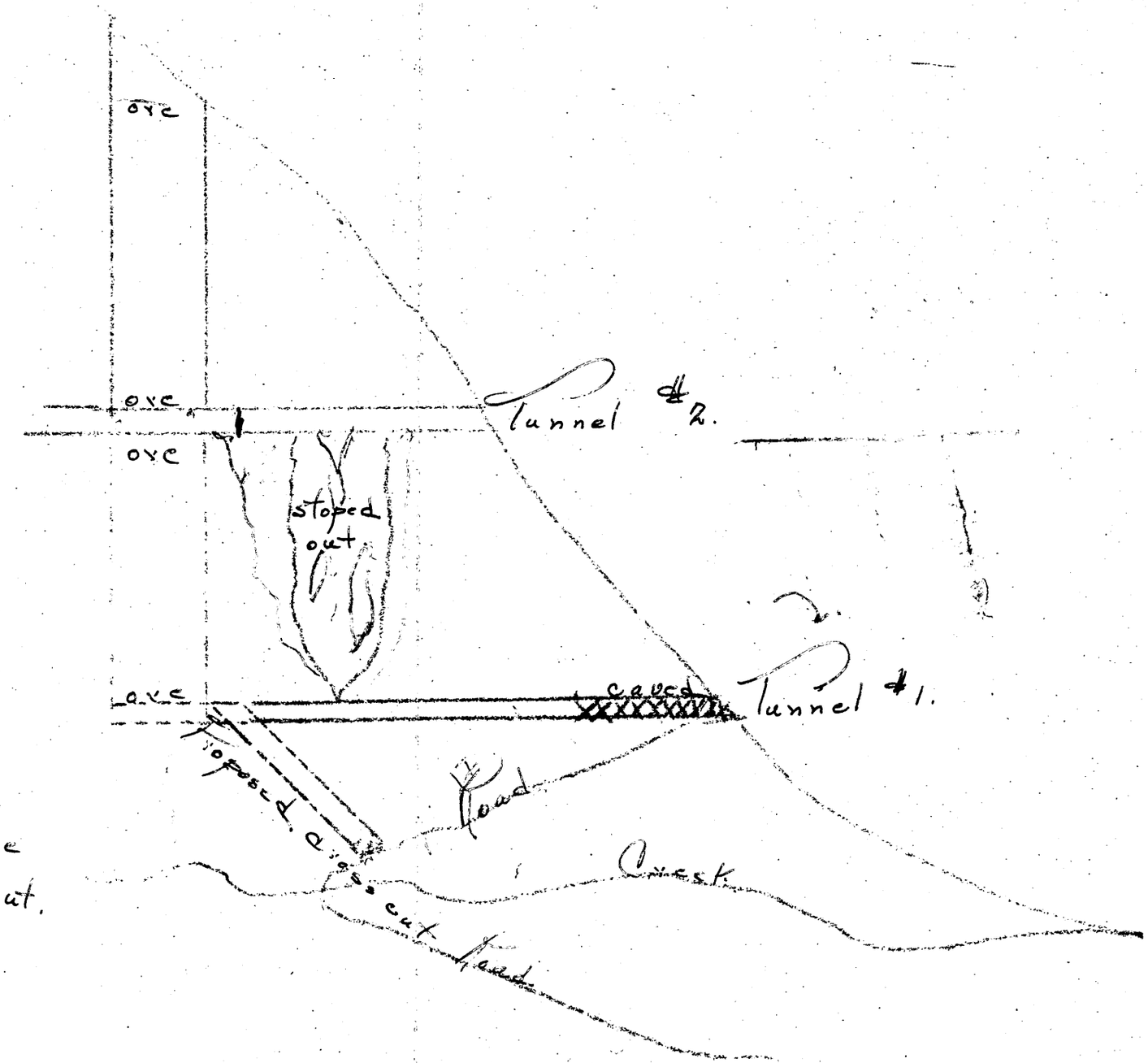
Equipment furnished by the operator for use on the project consists of the following items and estimated value:

Portable compressor	$4,500.00
Drilling outfit including drill, hose, steel, bits, etc.	900.00
Truck	2,500.00
Total	$7,900.00

The maximum cost allowance for use on the project will be determined on the basis of 60 month depreciation of value for each unit with the allowable monthly amount changeable only for the months actually used for the benefit of the project and to the maximum of $395.00 for the project.

No additional buildings, installations, fixtures, equipment or improvements to be purchased, rented, repaired or rehabilitated, except as listed above, are to be allowed as costs under this contract.

D.M.L. Docket 1616X
Ruby Mine



Sketch Map of Ruby Mine
showing proposed cross cut.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA-1616X

Date received 6/5/51

Participation

Ruby Mine
Curtis C. Johnson, Agent
Durango, Colorado

Name and address of applicant

Date May 29, 1951

FILL IN THIS BLOCK

Date of application May 29, 1951

Estimated cost $5,000.

Mineral or metal Tungsten

Percentage of Government participation 75%

Location of mine Near Silverton, Colorado

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—94067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*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.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

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.

Ruby Mine
(Name of Company)

By Curtis C. Johnson
(Signature of authorized official)

Curtis C. Johnson, Agent

May 29, 1951
(Date)

Agent for Ruby Mine
(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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Ruby Mine
Curtis C. Johnson, Agent
Durango, Colorado

1. Curtis C. Johnson, Agent for
   Curtis C. Johnson, 3/4 interest, 1975 West 2nd Ave., Durango, Colorado
   Angello Dalla, 1/4 interest, Silverton, Colorado

2. See above.

3. No corporation.

4. (a)
   Curtis C. Johnson
   Worked intermittently since 1920 in the mines in the San Juan district. Worked and managed Ruby mine of application in 1941. Manager and owner of the Johnson Supply Company of Durango, Colorado dealing in mine supplies and equipment.
   (b)
   Same

5. Owner

6. None.

7. Not lessee.

8. Net Worth $10,000. plus, reference Dun and Bradstreet.

9. $1250. It is sufficient to pay my part of project.

10. Ruby Claim, Survey No. 12212, Animas Mining District
    San Juan County, Colorado
    (b) Same

11. Always known as Ruby Mine.

12. 9 miles north of Silverton, Colorado. 7 miles of good gravelled road from Silverton, Colorado to mouth of Maggie Gulch. 2 miles of poor road from mouth of Maggie Gulch to Mine. Railroad shipping pointis Silverton, Colorado

13. Plenty of water for mining purposes from mine workings. Gasoline driven compressor to be used. Electric power 2 miles from mine.

14. No building and facilities.

15. Shipped by truck to Government receiving station at Climax, Colorado

16. (a)
Prior to 1917 the only workings were the discovery cut and short tunnel in the location of what is now called the portal of No. 2 upper tunnel.

During 1917 Mr. Alfred Harrison drove the drift on the vein prospecting for gold and silver 300 feet. This is what is called No. 2 upper tunnel. No appreciable gold or silver was found so that the operation was closed down.

After the above lessee closed operations, the owner of the property then learned that the vein contained some tungsten and during 1917 and 1918 shipped a substantial amount of tungsten ore. This ore was produced from the No. 2 upper tunnel near the portal.

During 1941 Curtis C. Johnson opened up the property and shipped a small amount of ore from this same orebody near the portal of the No. 2 upper tunnel.

In 1941 R. L. Margeneau of Gross Point, Michigan took a lease on the property. He worked put the orebody near the portal on the No. 2 upper tunnel. He also drove the No.1 crosscut about 180 feet vertically below the No. 2 upper tunnel for a length of about 50 feet and then drifted about 120 feet on the vein. He shipped the ore from the downward extension of the ore above the No.2 upper tunnel. This was shipped to Ely, Nevada for milling. This was during 1942 and 1943.

There has been no further production up to present time.

(b)
No tungsten properties adjoining.

(c)
None available

17. No production.

18. (a)
Orebodyes occur in approximately vertical quartz vein from one to four feet wide. The ore mineral is hubnerite and occurs disseminated in the quartz without sulphides. In the No. 2 upper tunnel there are two separate orebodies, one near the portal which has been mined out and another about 100 feet from the portal which is about 50 feet long. Between the first and second orebody on the No. 2 upper tunnel level there is about 50 feet of barren vein. On the surface the vein indicates two more orebodies similar to the ones opened up and occuring with 25 to 35 feet of barren vein between them. The second orebody is ready to start

mining operations. The drift on the No. 1 level opened up the first orebody and the ore was mined out above this. The drift does not extend far enough to open up the second orebody on the No.1 level.

(b)
The average grade of ore shipped to date is about 10.0% WO_3.

(c)
Ore reserve in the second orebody above the No. 2 upper tunnel level is about 400 tons of 5% WO_3.

19. -

20. Tungsten mineral, hubnerite. Vein deposit.

21. Crosscut tunnel driven in 1942 and what is called No.1 tunnel was driven in slide rock and is all caved. It is not in a suitable place.

The present project includes driving a new crosscut tunnel on the same level as the old No. 1 tunnel but in a new location closer to the ore and also in solid rock. Length about 50 feet In addition drifting on the vein about 100 feet to open up the downward extension of the second orebody which is opened up on the No. 2 upper tunnel level. This should open up about 800 to 1000 tons of 5% ore. Total drifting for project 150 feet.

22. There is no indication that ore does not go to a reasonable depth. In present workings the ore in the lower tunnel was as good as in the upper tunnel. Surface indications shown other orebodies along the vein as described previously.

23. Contract price of $30. per foot for 150 feet ---$4500.
(The above would include all overhead and supervisory costs)

For contingencies	500.
	5000.

24. 3 months to complete project excluding the months of December, January, February, March, April and May on account snow conditions.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
Postmarked 5/31/51
JUN 5 - 1951
LANDON F. STROBEL
Executive Secretary

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

224 New Customhouse
Denver 2, Colorado

July 15, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Termination of Contract Idm-E157, Docket DMEA 1616X, Johnson and Dalla (Tungsten)

Enclosed are the original and two copies of Notice of Termination of Contract Idm-E157. Copies of this notice have been given to the Operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

W. H. King
W. H. King

Enclosures

JUL 21 1952

SDS
7-21-52

FILE COPY
SURNAME:

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

JUL 9 - 1952

Mr. W. H. King
Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Contract Termination Form,
Docket DMEA-1616X, Idm-E157
Curtis C. Johnson and Angello Dalla

Dear Mr. King:

Early last week Jack East inquired over the phone as to the proper procedure for terminating a contract because of the failure of the operator to commence work. It involved the captioned case. I told him at that time that General Counsel had decided to use a new form for such cases, and I promised Jack that I would forward to him an appropriate Notice to be used in this instance.

Attached herewith you will please find a copy of Counsel's memorandum to me, dated July 7, together with a draft of his Termination Form, both of which I am sure you will find self-explanatory.

Sincerely yours,

7/9/52

C. O. Mittendorf (fw)

Acting Administrator

Enclosures

COMittendorf/fw/pa 7-9-52

cc: Admr. Reading File
Mr. Hofflund
Mails & Files
Mr. Mittendorf

FILE COPY
SURNAME:

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

July 7, 1952

Memorandum

To: Acting Administrator

From: Chief Counsel

Subject: Termination and Rescission of Exploration Project Contract with Curtis C. Johnson and Angello Dalla, Docket No. DMEA 1616X, Idm-E157

Attached hereto is a form for the use of the Executive Officer, DMEA Field Team, Region IV, in terminating and rescinding the subject contract.

After further study of this matter, and contrary to my previous statements to you, I have decided that this is a suitable action for the Field Team Executive Officer to take under his delegated powers. However, none of the three forms attached to DMEA Circular 22 exactly fit this situation, and it is preferable that this form attached be used.

J. L. Hofflund
Chief Counsel

Attachment

JLHofflund/mef
cc to: Mails and Files
Mr. Hofflund
Mr. Selfridge
Chron.

400
FILE COPY
SURNAME:

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

Moulds
FEJ Mun

NOV 7 1951

Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket DMA 1616X
Exploration Project Contract
Idm-E157
Curtis C. Johnson and
Angello Dalla, Partners
Durango, Colorado

Gentlemen:

Enclosed for recording in your office is the original, signed copy of an Exploration Project Contract executed between the Operator named in the above reference and the Government of the United States.

Sincerely yours,

(signed) FRANK E. JOHNSON (for)
Acting Director,
Production Expansion Division

B.J. 11-7

Enclosure - 1

DEMoulds/hmj
Typed: 10-30-51
cc to: Reports and Records
Adm. Reading File
PED
Mr. Moulds
Docket

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

DEPARTMENT OF THE INTERIOR
RECEIVED
OCT 29 1951
Defense Minerals Administration,
Production Expansion Division.

224 New Customhouse
Denver 2, Colorado

October 24, 1951

REGISTERED MAIL

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: Contract Idm-E157, DMA Docket 1616X, Curtis C. Johnson and Angello Dalla, Partners, San Juan County, Colorado

Enclosed herewith are the original and three copies of Contract Idm-E157, for applicants as listed above.

One copy of the contract has been sent to the operator and we have retained a copy for DMA Files.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

OFFICIAL FILE COPY

To	Init.	Date
210		

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 29 1951

FILE COPY
SURNAME:

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

OCT 10 1951

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

Re: Docket No. DMA 1616X
Curtis C. Johnson & Angello Dalla

Dear Mr. East:

Please find herewith six copies of contract for the subject exploration project. The contract has been signed for the Government and bears register number and effective date as shown.

The contract is to be signed by Mr. Curtis C. Johnson in behalf of the partnership without any changes to its contents. If any provisions are unsatisfactory to the operator, the contract must be returned to this office for re-execution.

After signing the contract, one copy is to be given to the operator and one copy retained for your office file. The remaining copies, including the original, are to be sent to this office as soon as possible.

A copy of the contract required by the Regional Finance Office will be forwarded directly by the Washington Finance Section.

Sincerely yours,

C. O. Mittendorf (S. H.) J. G. 10-2

C. O. Mittendorf, Director
Production Expansion Division

Enclosures-6
APPROVED:

Chairman, Coordinating Committee

Member, Bureau of Mines

Member, Geological Survey

Typed: 9/24/51
DEMoulds/meh
cc to: Reports and Records
Adm. Reading File
Messrs. Mittendorf, Olund
Mr. Moon
Mr. Moulds
Mr. Holderer
Mr. Thayer
Mr. R.W. Geehan
Region IV
Docket

FILE COPY
SURNAME:
~~110~~
Guthrie

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

September 21, 1951

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: Curtis C. Johnson and Angello Dalla -- Docket No. DMA-1616X

The proposed exploration contract in this case is approved as to legal form and sufficiency for signature by the Government, subject to:

1. Government approval of any subcontracts under which work upon the project is to be performed.

2. Proper signature by the applicant.

3. Proper dating prior to delivery.

Your file is returned herewith.

J. L. Hofflund

not stripped in R.+R.

J. L. Hofflund
General Counsel

Attachment

RRGuthrie/ema

Copy to: Reports & Records
R. R. Guthrie
J. L. Hofflund
Chron.

340 FILE COPY
SURNAME:

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

Holderer
Gordon

Memorandum

TO: Production Expansion Division SEP 1 8 1951

Through: Director, Supply Division

From: Chief, Ferro-Alloys Branch

Subject: Mr. Curtis C. Johnson- DMA-1616X Tungsten
Durango, Colorado
Exploration Loan (Government participation $3,750)

Property: Ruby Mine
Animas Mining District
San Juan County, Colorado

Conclusions:

The Ruby Mine has a vein outcrop 300 feet long. This vein is quartz with ore lenses and shoots. The ore mineral is Hubnerite. Floyd Everett of the Bureau of Mines estimates that there is 275 tons of .65% WO_3 at the upper mine workings. Everett also states that 125 tons of .5% WO_3 could be obtained from the lower dump.

The workings are inaccessible so no ore reserves in place could be measured but 5 to 10 tons of 1 to 3% WO_3 might be produced per day.

The applicant proposes to drive a tunnel in rock to intersect the vein. The length of the tunnel is 50 feet. The next step is to drift 100 feet along the vein to open up the ore body. The applicant believes that this will open up 800 to 1000 tons of 5% WO_3. No information is available to confirm this. Past production consisted of 436 units of WO_3 shipped.

not stripped in F.R.

Recommendation:

That the application be approved.

George B. Holderer

George B. Holderer, Chief
Ferro-Alloys Branch

CHJacoby:ec
9/17/51

Attachment

Tom Lyon

Approved:

Director, Supply Division

CC: Adm. Reading File
DMA Docket File
Mr. Holderer
Field Team Region IV

Index of File to Production Expansion Division

DMA-1616X Tungsten

1.	1 Copy Memo to Mittendorf from East	9/7/51
2.	1 Copy Memo to East from Travers	9/5/51
3.	1 Copy Memo to Travers from Everett	9/5/51
4.	4 Copies letter to East from Johnson	8/29/51
5.	4 copies Map	
6.	1 Copy letter to Holderer from Denny	8/15/51
7.	1 Copy letter to Johnson from Strobel	6/20/51
8.	1 Copy memo. by Fred Hanson dated	6/28/51
9.	3 copies MF-103	

9/17/51

Mr. Howe

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

DEPARTMENT OF THE INTERIOR
RECEIVED
SEP 1 1 1951
Defense Minerals Administration,
Production Expansion Division.

224 New Customhouse
Denver 2, Colorado

September 7, 1951

400

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division
Defense Minerals Administration

From : Executive Officer, DMA Field Team, Region IV

Subject: DMA Docket 1616X, Ruby Tungsten Mine, San Juan County, Colorado

In reply to your request for additional information regarding the above application, we are enclosing six copies of a letter from Curtis C. Johnson and six copies of a sketched map of the Ruby Mine.

Also enclosed is copy of a memorandum by F. D. Everett and copy of a memorandum by W. M. Traver, Jr., regarding the above project.

J. H. East, Jr.

SEP 11 8 50 AM '51
DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.

Enclosures

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

Building 20, Denver Federal Center

TO : Chief, Mining Division, Region IV

DATE: September 5, 1951

FROM : W. M. Traver, Jr.

SUBJECT: DMA-1616X, Ruby Tungsten Mine, San Juan County, Colorado

In accordance with your instructions, Floyd Everett made a preliminary investigation of the subject property to verify the statement by the applicant, Curtis Johnson of Durango, that he had stockpiled at the mine 400 to 500 tons of plus 2 percent hubnerite ore available for shipment.

Everett estimates 275 tons of material at an upper mine working, a sample of which assayed 0.65 percent WO_3, and some 500 tons of material in a lower tunnel dump which assayed 0.09 percent WO_3. He concludes it would be possible to upgrade this latter dump to produce probably 125 tons of material that will average 0.50 percent WO_3.

pter

In order to stimulate tungsten activities in the San Juan area, Everett concludes, from his preliminary examination of the Ruby mine and investigation of other activities including the interest of the American Zinc, Lead and Smelting Company in establishing a tungsten treatment section in their mill at Ouray, that a 75 - 25 percent participating Defense Minerals Administration loan for $5,000.00 is warranted. I concur.

The original and two copies of Everett's memorandum report are enclosed.

W. M. Traver, Jr.

W. M. Traver, Jr.

enclosures

Mining Division
Date Rec'd.

SEP 7 1951

BUREAU OF MINES
Denver, Colorado

NDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

Building 20, Denver Federal Center

TO : W. M. Traver, Jr. DATE: September 5, 1951

FROM : F. D. Everett

SUBJECT: DMA-1616X, Ruby Tungsten Mine, San Juan County, Colorado

Mr. Curtis Johnson, of Durango, Colorado, owner of the Ruby mine located in Maggie Gulch, 6 miles northeast of Silverton, San Juan County, accompanied the Bureau of Mines engineer to the tungsten property on Thursday, August 16, 1951.

A road to the mine had been recently repaired by San Juan County.

Most of the mine workings are inaccessible. The vein outcrop has been prospected for a strike length of about 300 feet and in places tungsten ore has been mined. The ore mineral is hubnerite in a quartz vein. The mineral occurs in lenses or ore shoots within the vein. The vein varies up to 5 feet in width with a near vertical dip. Hubnerite occurs in fractures in the quartz.

Mr. Johnson proposes to drive an adit near creek level to the vein. This crosscut would be about 100 feet long. A drift would be driven along the vein for 40 or 50 feet. Crosscutting and drifting costs are estimated at $35.00 a foot. Little timber should be required.

Approximately 275 tons of material assaying 0.65 percent WO_3 have been collected from past operations and stockpiled near the upper workings on the outcrop. The dump from the lower tunnel contains about 500 tons from which a sample assayed 0.09 percent WO_3. Approximately 75 percent of the lower dump could be discarded and about 125 tons of 0.5 percent material might be separated.

It would be difficult to estimate ore reserves in place as the workings are mainly inaccessible. However, the vein structure is strong and has only been prospected for a short distance. Between 5 and 10 tons a day of 1 to 3 percent tungsten ore might be produced between the months of June and December. Other tungsten properties in the same area are potential producers under favorable economic conditions.

There apparently are no milling facilities available for the Ruby mine ore. Limited and not too efficient methods are being attempted at two nearby properties. The possibility exists that the American Zinc, Lead and Smelting Company mill at Ouray will process tungsten ores.

Ore produced could be shipped either to Boulder, Colorado, or to tungsten mills in Nevada if no other plan toward ultimate utilization was presented.

ON-SITE EXAM

By development of the Ruby and a few other properties near Silverton, sufficient reserves could be developed to justify the establishment of an ore purchasing depot. In order to develop tungsten reserves at the Ruby mine and to stimulate mining in other properties, the $5,000.00 project requested by the applicant appears warranted from the preliminary examination and the $3,750.00 government loan is suggested for approval.

Morris Davies, for
F. D. Everett, Mining Engineer

Alumin

JOHNSON SUPPLY COMPANY

CURTIS JOHNSON, Manager

Phone 613

• MACHINERY AGENTS
PIPE AND STEEL
1975 West Second Avenue
DURANGO, COLORADO

JSC

REGIONAL DIRECTOR'S OFFICE
REGION IV
AUG 31 1951
BUREAU OF DMA
DENVER, COLORADO

August 29, 1951

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

DMA Docket 1616X, Ruby Mine

Dear Sir:

In reply to your letter of August 8, 1951, requesting more information , I am glad to supplu the following:

1. List of Major equiptment and rental rates.
No rental rates as I own all major equipment suchas, 165' compressor, jack hammer, hose, oiler, steel, bits, dump truck, pick-up, and one fine mine with unsalable tungsten ore, as of this date.

2. Maps showing the proposed explorarion work.
Enclosed.

3.S Some justification for $30 per foot estimated for drifting.
I have talked with other miners and contractors in the San Juan area and they do not the $30.00 per foot too high for the drifting. Mr. Evans, out of Denver, a Bureau of Mines geologist, stated that he did not believe the $30.00 too high for this drifting.

4. Contingent funds should be redistributed among other items.
Contingent funds $500.00: possible bridge going out, possible breakdown of equiptment and steel, men's compensation and such unforseen things as donating $50.00 to a county commissioner to have a road opened.

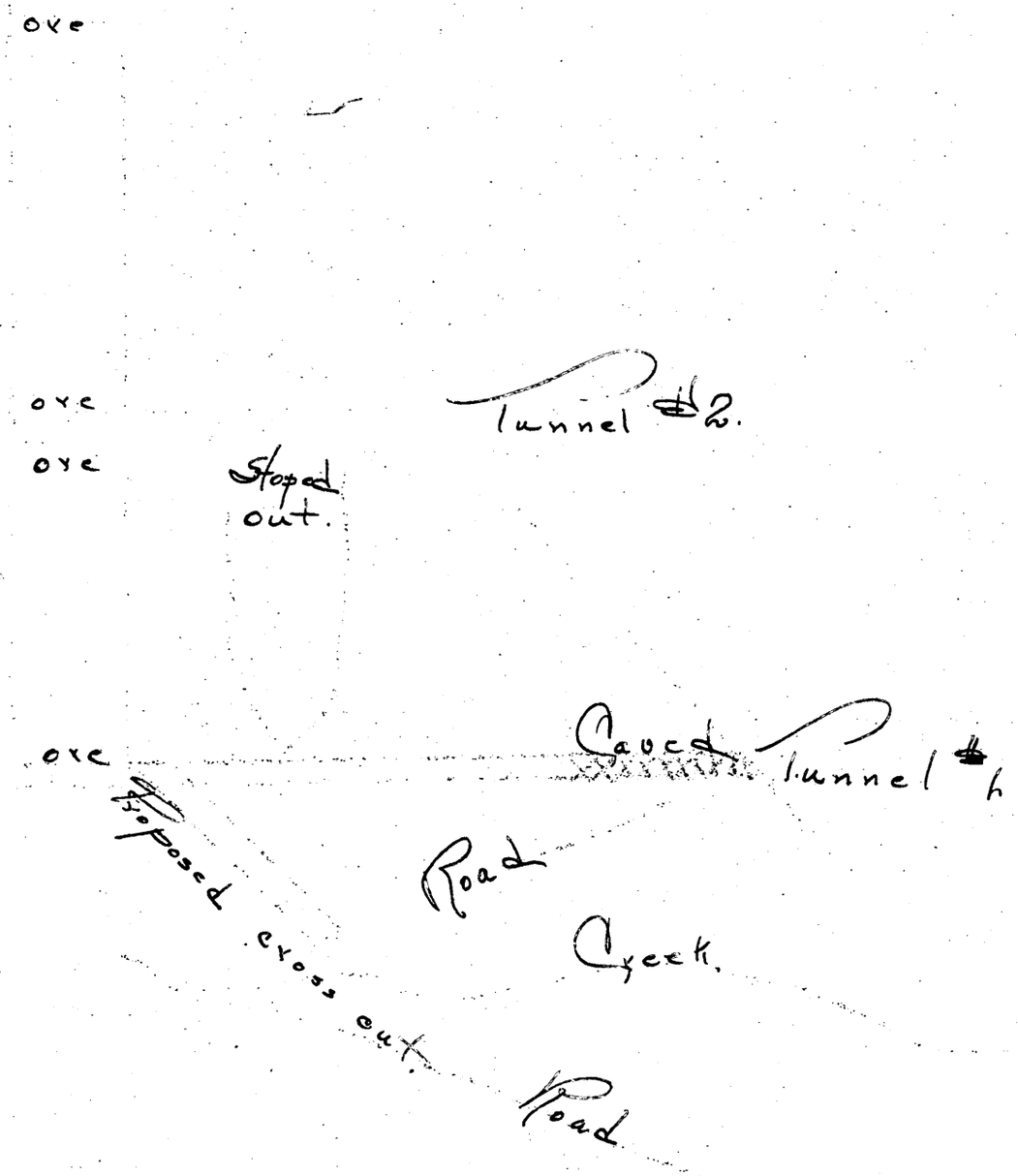
I believe, since I am furnishing all the equiptment rent free, that I should not be required to pay the $1250.00 in cash requested as my share in this undertaking.

Yours sincerely,

Curtis Johnson

Curtis C. Johnson

DHH Docket 1616 X
Ruby Mine.



Sketch Map of Ruby Mine.
showing proposed crosscut.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

OFFICE OF
REGIONAL DIRECTOR

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

AUG 20 1951
Rec'd by
Mr. Holderer

August 15, 1951

Mr. George Holderer
Chief, Tungsten Branch
Defense Minerals Administration
Interior Building
Washington 25, D. C.

Dear Mr. Holderer:

Mr. Curtis Johnson, 1975 W. 2nd Street, Durango, Colorado claims he has about $100,000 worth of tungsten ore mined and ready to ship. This ore is hubnerite. The ore from this property during World War II made concentrates averaging 48.8% WO_3.

The American Zinc Company, Marvin Kay, Manager, Ouray, Colorado has a lead-zinc mill with plenty of space for a tungsten unit, has a sampling plant and according to Mr. Johnson, the American Zinc Company is willing to purchase tungsten ore and stockpile it until winter, at which time the tungsten ore would be concentrated during the slack lead-zinc season.

The best concentrate that can be made from this ore, according to Mr. Johnson will run between 48 and 55% and before the American Zinc Company will purchase ore, the market and price for that grade of concentrate must be ascertained.

Will you kindly advise what can be done, sending an extra copy of your letter that I can transmit to Mr. Johnson?

For your information Governor Thornton of Colorado is very much interested in this situation and personally requested me to ascertain the facts of the case.

Very truly yours,

Howard Young Pres.
Am. Zinc Lead & Smelt Co.
1600 Paul Brown Bldg
St Louis 1, Mo.

E. H. Denny

E. H. Denny for
J. H. East, Jr.
Regional Director, Region IV

Aug. 27/51

Talked to Mr. Nelson - Wah Chang.
Can take 50% concent., but must have sample of concent. before cost of treatment can be given.

Mr. Weiss - San Elect. Cleveland.
Says 35% concent. would have to be upgraded by Wah Chang. Tungsten Mining produces up to 70% by magnetic separation.

S SA will take both scheelite & huebnerite at standard and minimum specifications of 60% and 35% WO_3.

If Marvin Kay would come to see Tungsten Mining in N. Carolina will try to get permission for him to visit property.

Talked to Howard Young St. Louis - says he will go along with any suggestions we have here. I suggested Kay get in touch with Cols. Schyler & discuss magnetic separation - also if he or his will come out to visit Tungsten Mining I would try to get permission.

Aug. 25/57

Talked to Marvin Kay - Am. Z-W Co.
Ouray, Colo.

Company will buy ore from Durango & Breckenridge at their own expense. Can sample & crush ore with present equipment, but have to add some additional equipment to mill tungsten ores. The ores are scheelite and hubnerite.

Says there are 9 or 10 producers in the immediate Ouray area and several more in Breckenridge.

He believes the production around Ouray would be about 40 tons per day & average 2.0% WO_3. Thinks he can make 85% recovery, but this results in 50.0% to 55.0% concentrates. Wants to know what to do with this grade. I asked him to get in touch with U.S.V. at Bishop and said I would get in touch with Wah Chang. Kay said he has not been able to get any information at all from Kling (SSA) in Denver.

Kay will call U.S.V. today & I will call Wah Chang Monday.

Call Howard Young Monday.

Kay says Curtis may have 300 tons ready to ship, may average 2.0% WO_3.

DRAFT

OK
M. C. Schroeder

Mr. Curtis Johnson

Durango, Colorado

Dear Mr. Johnson:

This letter is in reference to your recent telephone conversation with Mr. Searles ~~yesterday~~ regarding the disposition of your tungsten ore.

It is my understanding, as the conversation was relayed to me, that you now have mined and ready to ship ~~400 to 500~~ about 5000 tons of ore of about 3.0% tungsten trioxide.

Unfortunately there is no provision in the law which permits Defense Minerals Administration to buy ore or to build mills.

The General Services Administration will only buy concentrates as shown in their order of May 10, 1951, GSA - 113. ~~Nor was~~ There was ~~ever~~ never any official information suggesting that ore would be purchased, ~~nor is there any provision for stockpiling ore.~~ or stockpiled. This was tried during the last war and proved to be a very unsuccessful venture for the Government. ~~It was~~ At the present time it is generally felt that the $65 price for concentrate is ~~was~~ high enough to encourage the miner in ~~to shoulder the responsibility of~~ finding a market.

The only mills in Colorado, to our knowledge, which could take custom ore would be Hetzer and Teal at Boulder. Both mills are planning to expand their capacity, but it may take two or three months before the work can be completed. This would be a shorter haul than to Ely, Nevada where shipments were made in 1942-43, according to a statement in your application for an exploration loan.

If there were enough proved ore reserves in the district to pay off a loan for a small mill a straight loan from R.F.C. might be secured. However, difficulties should be anticipated ~~where~~ when two or more tungsten minerals occur in the same ore since the recovery of neither one is good.

The Defense Minerals Administration is fully aware of the lack of milling facilities and the problem is being given careful consideration with the hope that an early solution may be found.

Very truly yours,

George B. Holderer
Chief, Tungsten Branch

2376

8/17/51

[illegible] Johnson [illegible] should be here in a few days. Also [illegible] Pan. Some [illegible] and [illegible] of the Ouray mill for WO3, but only on the [illegible] that a [illegible] shelf [illegible]

7.

DRAFT

Mr. Curtis Johnson

Durango, Colorado

Dear Mr. Johnson:

This letter is in reference to your recent telephone conversation with Mr. Searles ~~yesterday~~ regarding the disposition of your tungsten ore.

It is my understanding, as the conversation was relayed to me, that you now have mined and ready to ship 400 to 500 tons of ore of about 4.0% tungsten trioxide.

Unfortunately there is no provision in the law which permits Defense Minerals Administration to buy ore or to build mills.

The General Services Administration will only buy concentrates as shown in their order of May 10, 1951, GSA - 113. ~~For~~ Was there ever any official information suggesting that ore would be purchased, ~~nor is there~~ any ~~any provision for stockpiling ore~~ contract scheduled. This was tried during the last war and proved to be a very unsuccessful venture for the Government. (It was generally felt that the $65 price was high enough to encourage the miner to shoulder the responsibility of finding a market.)

The only mills in Colorado, to our knowledge, which could take custom ore would be Hetzer and Teal at Boulder. Both mills are planning to expand their capacity, but it may take two or three months before the work can be completed. This would be a shorter haul than to Ely, Nevada where shipments were made in 1942-43 according to a statement in your application for an exploration loan. Salt Lake?

If there were enough proved ore reserves in the district to pay off a loan for a small mill a straight loan from R.F.C. might be secured. However, difficulties should be anticipated because ~~where~~ two or more tungsten minerals occur in the same ore the recovery of ~~neither~~ none one is good.

The Defense Minerals Administration is fully aware of the lack of milling facilities and the problem is being given careful consideration with the hope that an early solution may be found.

Very truly yours,

George B. Holderer
Chief, Tungsten Branch

Have discussed in the previous conversation the Buckeye area, and we have other smelter companies that may be able to make a good recovery. Yours etc.

Called Jack Eash July 12, 1951

Additional information

Compressor rental.

Sketch maps of project.

Contract price

Separates administration supervision supplies overhead etc.

Contingency ?

Owners: Curtis C. Johnson 75%

Angells Walla 25%

Claim Ruby Claim # 12212

Location Animas Mining Dist San Juan County, Colo.

Project Drive crosscut 50 feet to vein.

Drift 100 feet on vein

150 feet @ $30 = $4500

Contingency 500

$5000

3 months time after May.

Ruby Lynne, 8/13/51
June 28th 1616-X
Curtis Johnson
$5000

He talked to Under Sec. Soules about disposing of his use - Schroeder also is interested. 8/17/51 - Talked to Alderman F. - w/out demurrer - should be here Monday.

~~6/5/51~~
6/28/51

Defense Minerals Administration

Review of Application for Exploration Assistance

For approval

Docket No. 1616-x

Commodity Tungsten

Total Amount $5000.00

Govt. Participation $3750.00

1. Name and Address of Applicant Ruby Mine, Curtis C. Johnson, Agent, Durango, Colo.

2. Location of Property Near Silverton, Colorado.

3. Mineral or metal Manganese tungstate. Hübnerite. Is it listed in Section 9 of MO-5? Yes.
If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good ✓

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project?
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Owner.
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached?

Does the lease have sufficient time to run to cover a future productive period?

*question numbers are those of MF-103

7. Are subordination agreements necessary? No.

a) MF-201? _____

b) MF-202 _____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Small force required.

b) Equipment and supplies No building or facilities on property.
(Question 14 plus general knowledge of availability)*
Very little equipment required within scope of project.

c) Accessibility (question 12)* Close to shipping point.

d) Water (question 13)* Ample supply.

e) Power (question 13)* Electric power line 2 mi. distant.

Is a field check needed on any of these points? No.

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Owner is long-time resident of district; has mining experience.

Is a field check needed on this point? No.

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Very little description.

If not, are there sufficient data given so that you can describe the project? See attached draft. If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No map.

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes.

If not, what part of it is? _____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Lump sum only.

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data?_____ If so, attach a draft.

e) Are the cost estimates reasonable? Yes.

f) Should more information be requested from applicant? No.

g) Is a field examination necessary to complete Exhibit A? No.

11. Exhibit B (question 23-d)*

a) Is it applicable? Project being so small, no detail nessary.

b) If so, are sufficient data furnished?_____ If so, attach a draft.

c) Is a field check needed?_____

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? See ¶ 11.

b) Sufficient data?_____ If so, attach a draft.

c) Are rents and charges reasonable?_____

d) Is a field check needed?_____

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? See ¶ 11.

b) Is the schedule adequate for the work proposed?_____

c) Is the schedule excessive for the work proposed?_____

d) Are the proposed wages and salaries reasonable?_____

e) Is a field check needed?_____

14. Exhibit E (question 23-c)*

a) Is it applicable? None required.

b) Sufficient data?

c) Reasonable?

d) Field check needed?

15. In your judgment, can the proposed work be done in the proposed time? Yes. Due to snow conditions, the work can be done only in months June through November.
(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question?

Reviewed by: [illegible]

[illegible]

Date 6/28/57

Approved
Tom Lyon

97692

June 28, 1951

Index DMA 1616-X
Tungsten

For approval.

Ruby Mine
Curtis C. Johnson, Agent
Durango, Colorado

3 copies MI-103

Ref. to ¶ 10.-

Applicant proposes a new adit, to replace old adit, which is caved. New adit would be closer to ore and would be in solid rock. This would be driven 50 feet as a crosscut to intersect the vein, then the adit would be extended 100 feet along the vein. Application does not state vertical extent of ore.

Ref. to ¶ 16.-

Applicant states average grade of ore shipped to date is about 10% WO_3 and estimates ore reserve in upper tunnel of 400 tons carrying 5% WO_3. The latter of itself might repay the loan.

On the basis of information in the application and general knowledge of the district, the scope of the project being small, the loan should be approved.

FILE COPY
SURNAME:

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

June 20, 1951

Mr. Curtis C. Johnson
Durango, Colorado

Subject: DMA-1616X
Re: Exploration Loan
Ruby Mine

My dear Mr. Johnson:

Receipt is acknowledged of your application and attachments of May 29, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1616X and was referred to Mr. George B. Holderer, Chief, Tungsten Branch on June 11, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1616X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:js
cc: Strobel-2
>Files
Holderer
Lyon

Excerpt from Monthly Report, Region IV, March 21 to April 20, 1952

DMA 1616X - Ruby Mine (Tungsten), San Juan County, Colorado

Work on the contract will be impossible until next spring due to severe winter conditions at the high altitude.

Excerpt from Monthly Report, Region IV, April 21 to May 20, 1952

DMA 1616X - Ruby Mine (Tungsten), San Juan County, Colorado

No request for an extension of time has been received and the contractor has been notified that unless he requests an extension of time the contract will be cancelled.

Patch notice 7-14-52

Excerpt from Monthly Report, Region IV, January 21, 1952 to February 20, 1952

DMA 1616X - Ruby Mine (Tungsten), San Juan County, Colorado

Work on the contract will be impossible until next spring due to severe winter conditions at the high altitude.

Excerpt from Monthly Report, 12/21/51 - 1/20/52, Region IV, page 7

DMA 1616X - Ruby Mine, (Tungsten), San Juan County, Colo.

Work will be impossible on the contract until next spring due to severe winter conditions at the high altitude.

Excerpt from page 8, Monthly Report, Region IV, Mining Division, dated Nov. 21, 1951, to Dec. 20, 1951.

DMA-1616-X - Ruby Mine, (Tungsten), San Juan County, Colo.

Work will be impossible on the contract until next spring due to severe winter conditions at the high altitude.