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

Mr. J. H. East, Jr.
Executive Officer, DMA Field Team
224 New Customhouse
Denver 2, Colorado

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Docket No. 59X

Commodity Copper Branch

Applicant Mr. V. F. Foy, Box 878, Albuquerque, New Mexico.

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review."

Very truly yours,

Tom Lyon

Chairman
Coordinating Committee

Lowell R. Moon

For Bureau of Mines

Olaf N. Rove

For Geological Survey

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

224 New Customhouse
Denver 2, Colorado

October 22, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: Final Report, DMA Docket 59X, F. P. Foy; applicant, Buckeye Copper Mine, Water Canyon Mining District, Socorro County, New Mexico

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

We concur with the conclusions and recommendations of the examining team that the exploration loan of $50,000 be denied.

The brochure is enclosed.

J. H. Fast, Jr.

A. H. Koschmann

Enclosures

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 59X

Commodity COPPER

Total Amount $50,000.00

Govt. Participation $25,000.00

1. Name and Address of Applicant V. F. Foy Box 878
ALBUQUERQUE, N.M.

2. Location of Property MAGDALENA, SOCORRO COUNTY, N.M.

3. Mineral or metal COPPER 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? Yes
(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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

October 22, 1951

Memorandum

To: DMA Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMA Docket 59X, V. F. Foy, applicant, Buckeye Copper Mine, Water Canyon Mining District, Socorro County, New Mexico.

The application of the subject docket was for an exploration loan of $50,000.

An elaborate program was proposed to test geologic theories of Thomas F. Smith, a pseudo-geologist.

Thereare not any reserves in the accessible parts of the mine, the geologic probability of finding ore is remote, and the applicant is financially unable to provide his part of even a small project.

The examining engineer recommends denial of the application, with which we concur.

Paul T. Allsman

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 Yes

b) Equipment and supplies DOES NOT MENTION EQUIPMENT ON HAND
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? Yes b)

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* DOES NOT STATE HIS QUALIFICATIONS

Is a field check needed on this point? Yes

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

a) Is the project adequately described? No

If not, are there sufficient data given so that you can describe the project? No If so, attach a draft.

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

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

If not, what part of it is?

Mining Division
Date Rec'd.
OCT 19 1951
BUREAU OF MINES
Denver, Colorado

Arizona-New Mexico Branch
[redacted]
Box 4097
UNIVERSITY STATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

TUCSON, ARIZONA

MINING DIVISION
REGION IV

October 17, 1951

Memorandum

To : Paul T. Allsman, Denver, Colorado

From : Chief, Arizona-New Mexico Br., Mining Div., Region IV

Subject: Final Report, DMA Docket 59X, Buckeye Copper Mine, Water Canyon Mining District, Socorro County, N. Mex.

Enclosed are original and 7 copies of the above report by Grant R. Rubly of the Bureau of Mines. No separate geological report will be made by the Geological Survey.

This report has my approval.

Brochure is enclosed.

Walter R. Storms

Walter R. Storms

CC: P. T. Allsman (7)
C. A. Anderson
DMA-59X
DF

FOR VICTORY
BUY UNITED STATES SAVINGS BONDS AND STAMPS

10 a. From what can be pieced together it seems that the appellant wants to substitute the Kemp shaft, extend a drift 240 ft from the Kemp shaft S 55° W into a possible ore body, drive some raises and prospect some other workings for exploration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION OF FIELD TEAM
REGION IV

DMA-59X - Buckeye Copper Mine

Water Canyon Mining District

Socorro County, New Mexico

Grant E. Dubly, Mining Engineer
U. S. Bureau of Mines

October 1951

alr

Is this part a worthwhile exploration project? —

d) Are the cost estimates detailed? No

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? No ?

f) Should more information be requested from applicant? YES

g) Is a field examination necessary to complete Exhibit A? YES

11. Exhibit B (question 23-d)*

a) Is it applicable? YES

b) If so, are sufficient data furnished? No If so, attach a draft.

c) Is a field check needed? YES

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

a) Is it applicable? & APPLICABLE f&g NOT

b) Sufficient data? No If so, attach a draft.

c) Are rents and charges reasonable? NOT RENTING

d) Is a field check needed? YES

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

a) Are there sufficient data? No

b) Is the schedule adequate for the work proposed? NO SCHEDULE GIVEN

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

d) Are the proposed wages and salaries reasonable? QUOTES NO SALARIES

e) Is a field check needed? YES

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

By Grant F. Dubly[1]

Under the date of October 29, 1950, Thomas Edwin Smith, on behalf of Vernon F. Foy, submitted a preliminary application for a Mining Loan of $35,000 to expand and develop copper ore in the Buckeye mine, Water Canyon Mining District, Socorro County, N. Mex. This application received the docket number of DMA-59 but later was changed to DMA-59X. Formal application for aid for an exploration project, pursuant to Mineral Order 5 under the Defense Production Act of 1950, was filed with the Defense Minerals Administration on May 21, 1951. This application estimated the cost of the project at $50,000, of which the Government participation would be 50 percent, or $25,000. The difference between the original request of $35,000 and the later one of $50,000 is explained by the applicant as an increase necessitated by rising costs of labor and materials. The docket was reviewed in Washington and forwarded to the Defense Minerals Administration Field Team, Region IV, with the request for a field examination.

The first claims in the Water Canyon District were located in 1863, more or less coincident with the mining activity of the Magdalena district. Four claims of the Buckeye group were patented in 1902, but active work in the Buckeye mine had been suspended in 1901. In 1917 and 1918 a shaft was sunk on the property and some sulfide

---

1/ Mining Engineer, U. S. Bureau of Mines, Tucson, Arizona

14. Exhibit E (question 23-c)*

a) Is it applicable? YES

b) Sufficient data? NO

c) Reasonable? CAN'T TELL

d) Field check needed? YES

15. In your judgment, can the proposed work be done in the proposed time? NO TIME GIVEN

(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? Estimate of cost of lay-out, surveying and drafting working is too low. Check is needed on cost of materials he needs. Does not mention material that he wants to put up as part of his loan. There is some evidence to show he may be a [illegible]

If prospect is a good one, F.T. should try to assist Applicant in layout ~~of~~ and revise application for a definite explor. program, probably much smaller than this one.

Reviewed by: [illegible]

[illegible]

Date 7/16/51 J B Gowen

97692

ore was shipped. Since that time no work has been done.

Actual production from the mine is not known although two shipments of 15 tons each were made in 1917. One lot averaged 1.1 ounces silver and 3.[illegible] percent copper per ton of ore, and the other 0.03 ounces gold, 4.0 ounces silver and 10.6 percent copper per ton of ore. The entire Water Canyon district has an estimated production of less than 200 tons valued at not more than $70 per ton. Over 3,000 feet of accessible or known workings were required to produce this tonnage.

There are 4 patented and 5 lode mining claims held by location in the Buckeye group owned by Vernon F. Foy. The patented claims were acquired by a Tax Deed from the State of New Mexico.

Mineralization occurs in the Lake Valley limestone at or near its contact with argillite or igneous rocks, and is associated with fractures in the limestone oriented at an angle to the bedding. The ores in the limestone contain lead, copper and zinc with minor amounts of silver. All the mineralization noted in the Buckeye mine was oxidized iron and manganese with some very small amounts of malachite. Some vein material piled on the dump contained mostly pyrite with traces of azurite, malachite and chalcopyrite. This material probably came from lower levels of the mine below the zone of oxidation and now under water.

Ore reserves in the accessible workings are not over a few tens of tons and there is little reason to believe much more could be found below water level.

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

AIR MAIL

Mr. V. F. Foy
P. O. Box 878
Albuquerque, New Mexico

Re: Docket No. DMA-59X, (Copper)

Dear Mr. Foy:

This Agency, the Defense Minerals Exploration Administration, has recently taken over the work of the former Supply Division of the Defense Minerals Administration. Your application under the above captioned docket number has been reviewed in this office.

In the light of all the data available, there is insufficient evidence that would indicate an important discovery of copper might be made at your project large enough to be of importance to the National Defense. Under the circumstances we regret to inform you that your application for an exploration contract is denied.

We wish to thank you for bringing this property to the attention of the Government.

Sincerely yours,

C. O. Mittendorf

Acting Administrator

~~Chairman, Operating Committee~~
Defense Minerals Exploration Administration

EWEllis/jem 12-3-51
cc to: Adm. Reading File
Reports & Records
Docket
Messrs. Mittendorf
Johnson, C. H.
Nelson, Ned
Ellis
Field Team, Reg. IV (2)

J. F. D.

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

The Buckeye mine was abandoned many years ago and has remained idle since. Recently the applicant cleaned out the inclined shaft and main workings.

An elaborate exploration program was proposed totest geologic theories advanced by Smith. In a discussion in the field between Smith, Foy, and the writer regarding the exploration program, Smith made a comment to the effect that if the first 60 feet of drifting to the southeast from the Buckeye workings did not disclose ore, he would be ready to give up the project.

It is quite apparent that the most likely horizon for ore deposition at this property has been quite thoroughly explored. There is no positive information that important tonnages of ore have been produced or that unmined reserves of any size remain in the mine. Much more exploratory work has already been done in the past than the consequent production has warranted.

The applicant is in no position to finance a project of the size of the one proposed, nor of even a much smaller one.

Therefore it is recommended that the application for aid for an exploratory program be denied because there is practically no ore in sight in the mine and the geologic probability of finding ore is very small.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

REGIONAL DIRECTOR'S
OFFICE
REGION IV
NOV 13 1951
BUREAU OF MINES
DENVER, COLORADO

November 8, 1951

Memorandum

To: Executive Officer, DMA Field Team, Region IV

From: Chairman, Coordinating Committee

Subject: Report on 59X, Buckeye Mine, Socorro County, New Mexico, V. F. Foy.

This application is being held without action pending revision of procedures here, but presumably will have to be acted on in the near future. It is noted that the Field Team report definitely recommends denial.

There is no opposite opinion here about the merits of this project, and we are anxious to avoid needless work on the part of your staff. However, I feel that the report should be commented on, chiefly because it fails to back up its opinions and conclusions with factual evidence. I know this often seems like a waste of time, but we know that we may be forced to review such cases from time to time, and that is the time when maps or sketches of the workings and a number of samples, preferably including some taken at places pointed out by the owner as representing his best showings, are well worth the cost. They are much cheaper than having to repeat examinations.

The report fails to make clear that a favorable horizon exists and that it "has been thoroughly explored." It does not explain why the absence of remaining ore in the accessible workings "by inference" shows this to be the case in the flooded portions of the mine. Though the applicant's project was unacceptable, might it have been worth the cost to unwater and examine the lower workings? The report states the applicant "is in no position to finance an exploration project on the scale proposed, nor of an even smaller one." This would be sufficient basis for denying the application, if it can be substantiated, but it is not clear that it can.

Previous examinations of the Buckeye, of which reports are on file here were inadequate for the present purpose. One made by Johnson in 1944 referred to samples taken, but returns

BUCKEYE COPPER MINE
WATER CANYON MINING DISTRICT
SOCORRO COUNTY, NEW MEXICO
DMA DOCKET 59X

Engineering Report

By Grant F. Rubly
Mining Engineer
U. S. Bureau of Mines

October 1951

not yet available, and stated that more thorough examination of the Buckeye and a nearby prospect would be made at a later date. Holmquist's report in 1945 was not much more thorough, though it covered a number of other properties; it lacked maps or samples from the Buckeye. No mining geologist has reported in detail on the Buckeye, hence we haven't the fullest possible support for a decision.

I am not asking for further field work at this time, and am glad to say that most reports are first class. But I thought you might agree, more or less, with the foregoing criticism and point out to your staff the desirability of backing up negative as well as favorable opinions with plenty of unquestionable facts.

Tom Lyon

Tom Lyon

Lowell B. Moon

Bureau of Mines

T. P. Thayer

Geological Survey

BUCKEYE COPPER MINE
WATER CANYON MINING DISTRICT
SOCORRO COUNTY, NEW MEXICO
DMA DOCKET 50X

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

DEC 16 1951
BUREAU OF MINES
DENVER, COLORADO

November 8, 1951

Memorandum

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From: Chairman, Coordinating Committee

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INTRODUCTION

Under the date of October 29, 1950, Thomas Edwin Smith, on behalf of Vernon F. Foy, submitted a preliminary application for a Mining Loan of $35,000 to expand and develop copper ore in the Buckeye mine, Water Canyon Mining District, Socorro County, N. Mex. This application received the docket number of DMA-59, but was later changed to DMA-59X. Formal application for aid for an exploration project, pursuant to Mineral Order 5 under the Defense Production Act of 1950, was filed on May 21, 1951. This application estimated the cost of the project at $50,000 of which Government participation would be 50 percent, or $25,000. The difference between the original request of $35,000 and the later one of $50,000 is explained by the applicant as an increase necessitated by rising costs of labor and material. The docket was reviewed in Washington and forwarded to the Defense Minerals Administration Field Team, Region IV, with the request for a field examination.

ACKNOWLEDGMENT

The writer wishes hereby to express his gratitude to Vernon F. Foy for the privilege of visiting the Buckeye mine and for other courtesies extended; and to Thomas Edwin Smith for his discussion of the geology of the area and of the proposed exploration program.

In the course of preparing this report the writer has made use of prior publications and reports on file in the office of the U. S. Bureau of Mines. These are "The Ore Deposits of Socorro County, New Mexico", by Samuel G. Lasky, New Mexico School of Mines,

not yet available, and stated that more thorough examination of the Buckeye and a nearby prospect would be made at a later date. Holmquist's report in 1945 was not much more thorough, though it covered a number of other properties; it lacked maps or samples from the Buckeye. No mining geologist has reported in detail on the Buckeye, hence we haven't the fullest possible support for a decision.

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SIGNED

Tom Lyon

Bureau of Mines

Geological Survey

State Bureau of Mines and Mineral Resources Bulletin No. 3, 1932, and "Preliminary War Minerals Memorandum" and "Supplemental Examination Report, Water Canyon District, Socorro County, New Mexico" by Ray J. Holmquist, 1945 and 1946.

It is believed that a perusal of this latter report by the reviewing committee would probably have avoided the necessity of a field examination.

LOCATION, TOPOGRAPHY AND CLIMATE

The Buckeye mine is located in Sec. 27, T. 3 S., R. 3 W., in the Water Canyon Mining District on the east slope of the Magdalena Mountains, Socorro County, N. Mex. (Figs. 1 & 2). It lies between Copper and Water Canyon, and close to the junction of these two canyons. The Water Canyon road is 14.4 miles west of Socorro on U. S. Highway 60. The mine is reached by traveling up the Water Canyon road a distance of 6.4 miles from the paved highway.

The topography of the Water Canyon district is very rugged; local relief varies up to 2,000 or 3,000 feet. The Buckeye mine is at an altitude of about 7,500 feet.

Annual precipitation amounts to about 14 inches with heavy snow falls during the winter months. There are good stands of pine as well as cedars and scrub oaks on the property. Some water normally flows in Copper Canyon.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

224 New Customhouse
Denver 2, Colo.

November 23, 1951

Memorandum

To: All Engineers and Geologists engaged in Defense Minerals Administration Work

From: Executive Officer, DMA Field Team, Region IV

Subject: DMA Policy

Attached hereto is a copy of a letter from the Chairman, Coordinating Committee, DMA, which deals in a large part with policy.

It is recommended that each of your examiners read the letter and bear in mind the advisability of obtaining more specific factual data on properties where denials are being recommended.

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

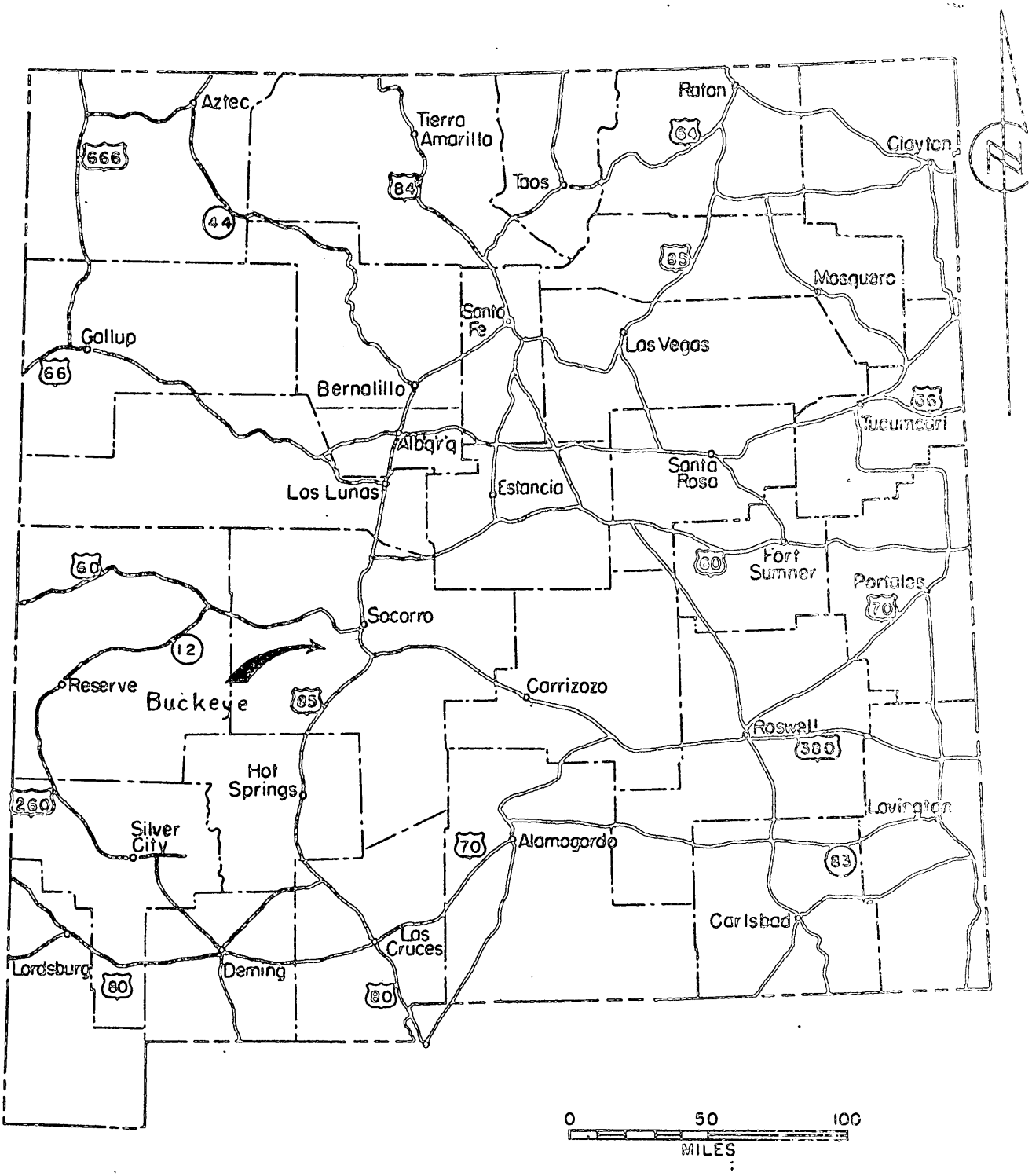

Fig. 1, Location Map of Buckeye Copper Mine, Water Canyon District, Socorro Co., New Mexico

October 1951

DMA-59X

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P
Y

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

November 8, 1951

Memorandum

To: Executive Officer, DMA Field Team, Region IV

From: Chairman, Coordinating Committee

Subject: Report on 59K, Buckeye Mine, Socorro County, New Mexico, V. F. Foy.

This application is being held without action pending revision of procedures here, but presumably will have to be acted on in the near future. It is noted that the Field Team report definitely recommends denial.

There is no opposite opinion here about the merits of this project, and we are anxious to avoid needless work on the part of your staff. However, I feel that the report should be commented on, chiefly because it fails to back up its opinions and conclusions with factual evidence. I know this often seems like a waste of time, but we know that we may be forced to review such cases from time to time, and that is the time when maps or sketches of the workings and a number of samples, preferably including some taken at places pointed out by the owner as representing his best showings, are well worth the cost. They are much cheaper than having to repeat examinations.

The report fails to make clear that a favorable horizon exists and that it "has been thoroughly explored." It does not explain why the absence of remaining ore in the accessible workings "by inference" shows this to be the case in the flooded portions of the mine. Though the applicant's project was unacceptable, might it have been worth the cost to unwater and examine the lower workings? The report states the applicant "is in no position to finance an exploration project on the scale proposed, nor of an even smaller one." This would be sufficient basis for denying the application, if it can be substantiated, but it is not clear that it can.

Previous examinations of the Buckeye, of which reports are on file here were inadequate for the present purpose. One made by Johnson in 1944 referred to samples taken, but returns not yet available, and stated that more thorough examination of the Buckeye and a nearby prospect would be made at a later date. Holmquist's report in 1945 was not much more thorough, though it covered a number of other properties; it lacked maps or samples from the Buckeye. No mining geologist has reported in detail on the Buckeye, hence we haven't the fullest possible support for a decision.

I am not asking for further field work at this time, and am glad to say that most reports are first class. But I thought you might agree, more or less, with the foregoing criticism and point out to your staff the desirability of backing up negative as well as favorable opinions with plenty of unquestionable facts.

/s/ Tom Lyon

/s/ Lowell B. Moon
Bureau of Mines

/s/ T. P. Thayer
Geological Survey

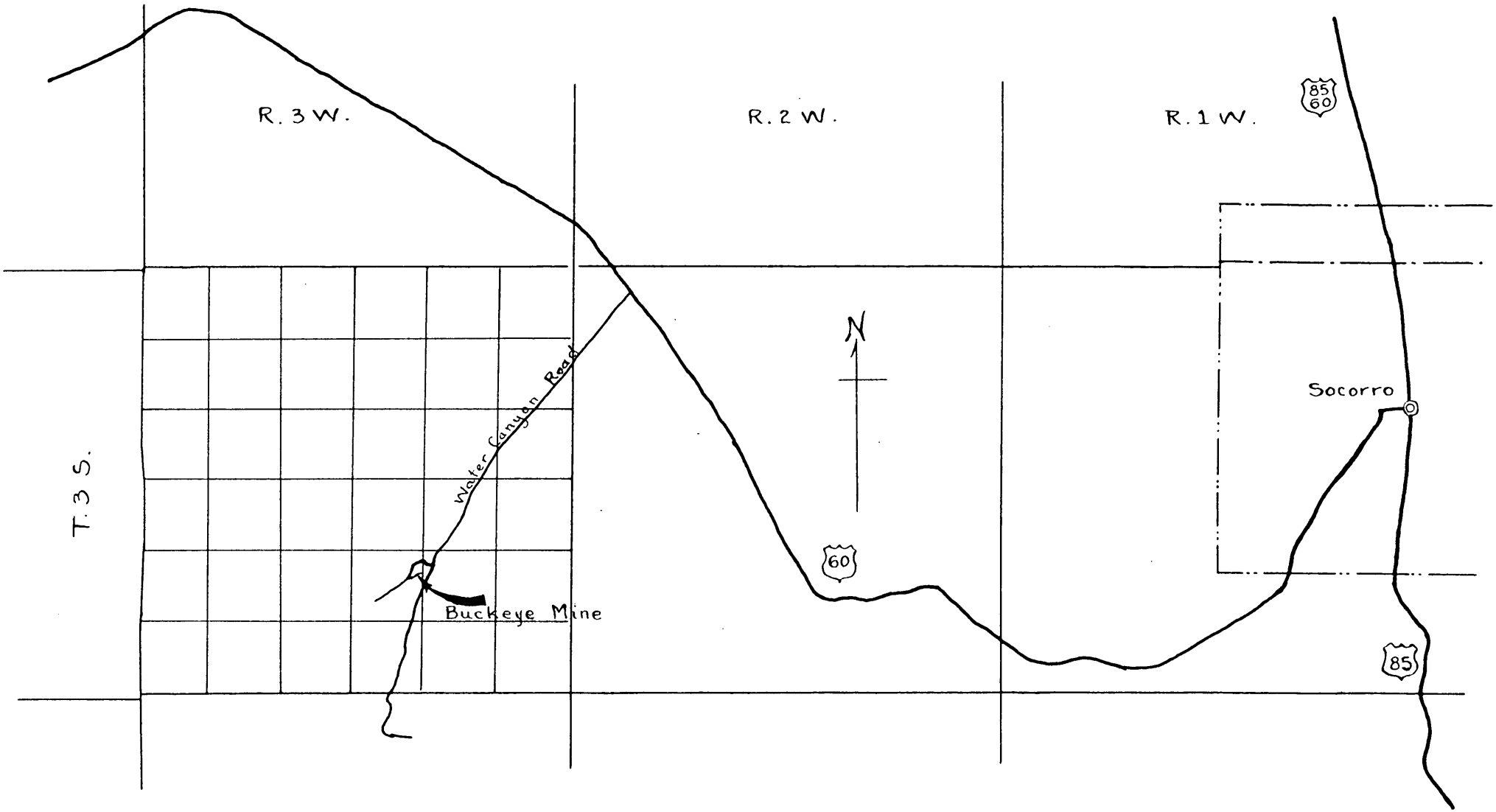

Fig 2, Buckeye Copper Mine, Water Canyon District
Socorro County, New Mexico

D.M.A. 59 X

224 New Customhouse
Denver 2, Colorado

October 22, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: Final Report, DMA Docket 591, F. P. Fay; applicant, Montana Copper Mine, Baker Canyon Mining District, Mineral County, New Mexico

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

In accord with the conclusions and recommendations of the examining team that the exploration loan of $50,000 be denied.

The brochure is enclosed.

for Paul Talbert
J. H. Fast, Jr.

A. H. Koschmann
A. H. Koschmann

Enclosures

WDM:oj
cc: DMA subject, chron.
Koschmann

9 VE

HISTORY AND PRODUCTION

The first claims in the Water Canyon district were located in 1868, more or less coincident with the mining activity of the Magdalena district. The presence of the "silver pipe" bed of the Lake Valley limestone on the eastern slope of the mountain probably stimulated interest and exploration in the Water Canyon district. This member of the limestone was closely associated with the principal ore bearing horizon in the Magdalena district.

Active work in the Buckeye mine was suspended in 1901 because of the reputed difficulty in handling water in the lower levels. Some work by lessees was done in 1907 and 1908. Four lode mining claims of the Buckeye group were patented in 1908. William Kemp sunk a shaft about 200 feet southeast of the Buckeye incline in 1917 and 1918, and is reputed to have shipped 2 cars of sulfide ore. Since that time the property has been idle.

Actual production from the mine is not known but Foy reports[1/] that two shipments of 15 tons each were made by Kemp in 1917. One shipment averaged 1.1 ounces of silver and 3.8 percent copper, and the other averaged 0.03 ounces of gold, 4.0 ounces of silver and 10.6 percent copper per ton of ore. Some ore from the Wall Street mine, adjacent to the Buckeye mine and on the same property, was treated in a small mill but it is doubtful if any production was effected.

1/ Correspondence on file in the office of U. S. Bureau of Mines, Silver City, New Mexico.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON 25, D. C.

DMA

OFFICE
REGION IV
OCT 22 1951
BUREAU OF MINES
DENVER, COLO.

PRS 1404

My dear Senator Chavez:

This is in acknowledgment and reply to your letter of September 19, 1951 enclosing correspondence received from Mr. Vernon F. Fay, 1083 West Silver Avenue, Albuquerque, New Mexico, relating to his application, Docket No. DMA-55K.

Mr. Fay's original application dated November 2, 1950 and presented at the Regional Office in Denver, was for a production loan of $55,000 to develop and operate the Duchess Mine in Socorro County, New Mexico. In a letter dated January 10, 1951 signed by Mr. S. K. Williston, Director of the Supply Division, Mr. Fay was informed as follows:

"The application has now been reviewed with the conclusion that we cannot approve a loan for production purposes, but that the application may be set aside for reconsideration, if you so desire, as an exploration project at such time as methods and procedures for assistance in mineral exploration are completely formulated. That subject is under active consideration, and it is expected a program will be announced soon.

"The denial of a loan for production rests largely on the inadequacy of measured ore reserves, and the lack of convincing evidence as to indicated (probable) reserves."

The exploration program was put into effect in April, 1951, and Mr. Fay was sent the necessary information and forms for an application for aid for an exploration project. The completed forms were received by the Defense Minerals Administration on May 28, 1951 and referred to the Copper Branch of the Supply Division for processing. At that time so many applications had been received as to make delays unavoidable.

On July 16, Mr. Fay's application was referred to the DMA Field Team of Region IV for further investigation. This Field Team covers a very large and rugged area which includes some of the

Some production from other properties in the district is known but the total is probably less than 200 tons of ore whose gross value is estimated at not more than $20 per ton. There are over 3,000 feet of accessible or known workings in the area.

OWNERSHIP AND EXTENT

There are 4 patented and 5 lode mining claims held by location in the Buckeye group. The patented claims were purchased by Foy from the New Mexico State Tax Commission on a tax deed, and suit to quiet title has been made. The property is owned by Vernon F. Foy of Albuquerque, N. Mex.

DESCRIPTION OF THE DEPOSITS

The Water Canyon district is underlain by westward dipping Mississippian and Pennsylvanian strata on a basement of pre-Cambrian argillite, overlain by Tertiary volcanic rocks, and intruded by basic and acidic dikes. Displacement by northward and eastward striking faults has resulted in many tilted blocks, causing a repetition of formations. This strong block faulting has locally caused the altitude of the contact between the argillite and the overlying Lake Valley limestone to vary greatly from the regional strike and dip.

The succession of rocks at the Buckeye mine conforms to that of the district. The argillite is overlain by Lake Valley limestone and is in turn overlain by Sandia shale and LeMadera limestone. Dikes of monzonitic to quartz-monzonitic composition irregularly intrude these formations. Some basic and rhyolitic

largest and most important mining regions in the United States. It has also the greatest number of properties to be investigated under the Defense Production Act and I am sure any delay involved in the examination of Mr. Fay's property could be attributed to these facts. The report of the Field Team has not yet been received in Washington so it is not possible at this time to review their findings.

Mr. Fay was correctly informed concerning the financial operation and administration of the exploration program. It is true that the applicant must bear a certain share of the cost of an exploration project and that no Government funds are made available to the applicant as operating capital or for other purposes at the start of operations. The Government shares the cost by reimbursing the applicant for the agreed percentage of his expenses, but the applicant must be in a position to furnish the capital necessary for the first month or two of operation. At the end of each month he submits his cost account to the Government and is then reimbursed for the Government's share. Experience has not yet been long enough to say how long it will take to pay the vouchers. Every effort will be made to pay promptly but it may take as much as a month.

The Defense Minerals Administration exploration program is not literally a "grubstaking" program in the sense generally understood by prospectors. For one thing, as Mr. Fay notes, funds are not advanced. But it is better than grubstaking in that the Government does not acquire a share or ownership in the property, as the old grubstaker did in case of a successful venture. The Government, at most, will get back no more than it puts into any given project. In case of failure it will have no lien on the property.

It is also true, as inferred by Mr. Fay, that the use of exploration funds on Government assisted projects whose objectives is to increase ore reserves is limited to necessary items directly connected with the project. Such funds cannot be used for the purpose of producing ore from known reserves, for the preparation of such ore for mining, or for other purposes for which production loans should be applied. In certain instances, an applicant may have a small amount of commercial grade ore which is insufficient to justify the production loan applied for. In such a case, mining or mine development may be carried on simultaneously with an exploration program but Government funds cannot be used for production unless they are specifically set aside for that purpose. The reason for this is that a production loan requires a lien on the entire property until repaid, and is repaid from operating profits, while exploration aid is repaid on a low royalty basis and only from ore discovered and developed by the exploration project, and then only if production occurs within a period of ten years.

dikes can also be found.

Mineralization occurs in the Lake Valley limestone at or near its contact with argillite or igneous rocks, and associated with fractures in the limestone oriented at some angle to the bedding. The ores in the limestone contain lead, copper, and zinc with minor amounts of silver. All the mineralization noted in the Buckeye mine was oxidized iron and manganese with rare malachite. Copper values in the stoped areas may be due to copper oxides and possibly to sooty chalcocite. Some vein material piled on the dump contained mostly pyrite with traces of azurite, malachite and chalcopyrite. This material probably came from the lower levels of the mine below the zone of oxidation and presently under water.

Another shaft about 200 feet southeast of the inclined shaft of the Buckeye mine is variously reported to be 155 feet to 300 feet deep. It follows a barren fissure in limestone for at least 40 feet vertically. The dump from this shaft is part limestone and part argillite. Mineralization in the limestone in this dump is very weak.

ORE RESERVES

There is practically no ore remaining in the accessible workings of the Buckeye mine. By inference the same statement can be made about the flooded portions of the mine.

With reference to Mr. Foy's question about manganese in the Magdalena District, we know of no feasible method by which manganese could be recovered from such low grade ore. If Mr. Foy and Mr. Smith should discover richer ore in the area, as implied in Mr. Smith's letter of August 14, 1951, then it could perhaps be sold to General Services Administration as indicated by the letter from the Bureau of Mines dated August 30, 1951. Some manganese ore was produced in that district and sold to Government stockpiles during World War II.

As you have requested, we are returning Mr. Foy's correspondence for your files. If we can be of further assistance please do not hesitate to let us know.

Sincerely yours,

(Sgd) [illegible]

Secretary of the Interior

Hon. Dennis Chavez
United States Senate
Washington 25, D. C.

Enclosure

JBGowen:rw

Copy to: Administrator's Reading File
Deputy Administrator's Reading File
Executive Officer, DMA Field Team IV
Mr. Lyon
Copper Branch
Files-DMA Docket

PRESENT STATUS

At the present time there is no production from the mine. The applicant has cleaned out the inclined shaft and the underground workings above the water level. The workings are essentially in the same condition as when the mine was abandoned over 30 years ago.

PROPOSED EXPLORATION

The description of the proposed exploration program is contained in a letter to Vernon F. Foy, dated October 19, 1950, and signed by Thomas Edwin Smith, and in another letter by Smith addressed to J. H. East, Regional Director, U. S. Bureau of Mines and dated November 2, 1950, which in turn refers to the former letter. The letter of October 19, 1950 is a very verbose dissertation combining some pseudo-geology, scattered cost estimates, accounts of Smiths qualifications and experiences, and other miscellany. In a discussion in the field with Smith and Foy, and with the aid of some geologic cross-sections and a map prepared by Smith, it was possible to obtain a general idea of what the applicant's proposed program involved.

In general a drift to the southeast from the Buckeye workings penetrating the limestone beyond a fault presently exposed was the first step. Rehabilitation of the Kemp shaft with drifts from the bottom of it to the northwest and southeast was to be followed by raising, and sinking winzes along contacts of monzonite dikes with the limestones. The entire program is based on the geological

Office of
Under Secretary

UNITED STATES
DEPARTMENT OF THE INTERIOR
WASHINGTON

SEPTEMBER 20, 1951

MY DEAR SENATOR CHAVEZ:

IN SECRETARY CHAPMAN'S ABSENCE I SHOULD LIKE TO ACKNOWLEDGE YOUR LETTER OF SEPTEMBER 19 REGARDING CORRESPONDENCE RECEIVED FROM MR. VERNON F. FOY OF ALBUQUERQUE, NEW MEXICO.

YOUR LETTER WILL BE BROUGHT TO SECRETARY CHAPMAN'S ATTENTION UPON HIS RETURN TO THE CITY.

SINCERELY YOURS,

R.D. SEARLES
UNDER SECRETARY

HON. DENNIS CHAVEZ
UNITED STATES SENATE
WASHINGTON 25, D. C.

HMSooshan:akl

cc: Secretary's office
Reading File
Mr. Searles

COPY

reasoning of Smith. There is some logic to this reasoning provided the formations are there. Judging by the amount of ore found in the past in relation to the extent of the exploration work involved, the prospect of finding any ore body is quite limited. In the course of the field discussion, Smith made a comment to the effect that if the first 60 feet of drifting to the southeast did not disclose ore he would be ready to give up the project. This either reflects supreme confidence in his diagnosis or a flat contradiction of the generally optimistic attitude expressed in his reports and other statements. It is quite unlikely that any sizeable ore bodies would be found by any of this work.

ESTIMATED COST OF THE PROJECT

The original estimate prepared by Smith totalled $33,203, although the request for the mining loan was for $35,000. The formal application for aid for exploration was for $50,000. This blanket increase was explained by the applicant to cover rising costs of labor and materials. The project and its cost as outlined is far too ambitious in view of the past history of the mine or of the district. It is indeed doubtful that sufficient ore to repay the cost of the preliminary 60 feet of drifting could be found.

CONCLUSIONS

It is quite apparent that the most likely horizon for ore deposition at this property has been thoroughly explored. There

UNITED STATES SENATE

September 19, 1951

Honorable Oscar Chapman
The Secretary of the Interior
Washington, D.C.

Dear Mr. Secretary:

Enclosed herewith is correspondence received from Mr. Vernon F. Foy, 1023 West Silver Ave., Albuquerque, New Mexico, which is self-explanatory.

I would appreciate having your comments on the question and the return of the correspondence for my files.

Sincerely,

/s/ Dennis Chavez,

Dennis Chavez, U.S.S.

DC:FB:S

Enclosures

C O P Y

JZA

is no positive information that important tonnages of ore have been produced or that unmined reserves of any consequence remain in the mine. The total known production of the district of less than 200 tons of ore valued at not more than $[illegible]0 per ton produced from workings of more than 3,000 feet is an excellent measure of the capabilities of the Buckeye mine. Further exploratory work would be no more successful in locating ore bodies. Much more exploratory work has already been done than the consequent production has warranted.

The applicant is in no position to finance an exploration program on the scale proposed, nor of an even smaller one. He has been sinking a portion of his earnings as a railroad conductor into this work and that would be the extent of his participation unless he incurred private indebtedness

RECOMMENDATIONS

It is hereby recommended that the application for aid for an exploration program be denied because there is practically no ore in sight and the geologic probabilities of finding ore are very small.

Albuquerque, N. M.
September 15, 1951

Senator Dennis Chavez,
Senate Building,
Washington, D. C.

Sir:

I am writing you in two instances, First the DMA loan and assistance program, and Second, the hardships, miners and propsectors incur when they try to find out what our government need and expect of us.

I will discuss the firstphase, the Defense Minerals Administration, which organization as I understand it was set up by an act of Congress to secure critical minerals for our war and defense effort. The primary needs of the small mine operator or prospector is capital and some times technical advice. We, will take the capital side first and explore its features. I made application for an exploratory loan in October 1950. I used the schedule pay rates, which at that time in the Magdalena district was, $6.50 per day, 8 hours. One item that is needed anywhere mining is done, a compressor. The cost of this compressor used was $1250.00. The wages now are, $12.00 per day, the compressor $3500.00. With all the red tape, details etc., so forth and God knows there was a plenty my application reached DMA in Washington and recived a number DMA 59.

This last Thursday, September 13th., The DMA Engineer made an examination of this property. We, went over it with a fine tooth comb. When finished, Mr. T. E. Smith my Superintendent, and myself started asking questions and receving no answer, which he said was strickly against the rules all information would have to come from Washington. However, he asked many questions, which we tried to answer. One of them just how much I had spent down there since, Mr. Smith was on the property, I told him, I had the figures to show that I spent, over $5000.00 in other words I had spent, in cash, the sum of $4500.00, That my two sons and myself and friends of both had worked down, and Mr. Smith said a fair estimate would be, $1000.00. He admitted the work showed it. Now he said when the application was made it was some little over, $35,000.00 later, Mr. Foy wanted,$50,000.00. I explained the increase of cost of labor and machinery made the difference. That over one year had elasped since the first estimate,was made, he thought the increase was not enough, it is not enough now.

A year from now it will not be in sight if things keep going up.
This part of the story can be worked out.

The death blow or knockout punch is this: He advised me that the government did not set up a cash account, but handled it in this manner. I would pay all the bills for the work, machinery, etc. Than file a fincincial statement, and when it was checked and doubled checked in Washington, the government would re-imburse me for one-half of the total cost. In this case I would put up $12,000.00 or three months money by his estimate of time for the DMA to do the checking, and then they would come along and assume one-half in this case, $2,000.00 for the first month and so on. Another thing, none of this money can be used for getting out ore, pumping or doing any mining what so ever. Just sinking or driving a tunnel. My application included sinking the main shaft 120 feet to interset the rich sulphide ore expected to be found down there. How can you sink a shaft when water stands over 50 feet in the shaft now. You might have your wife to draw it out with a bucket, but she might rebel. I asked him (the Engineer) how much ore did he think I had that could be mined, he could not answer that question. If think that I have, between, 300 and 500 tons of shipping grade that averages around 4% copper.

This proposition is a good deal for Anaconda, Chino, A.S.&R. How do you figure it will help, Foy and over 500 more in your state. The large companies are going to do this exploratory work any way, and if they fail to find ore, then they can stick the government for one-half of the loss.

If our country is as hard up for minerals like we have here in this state your state and mine. Why can't I use some of this labor and machinery to get out the copper ore that I have ready, along when I drive another few feet in the tunnel. Why cna't I use some of it to buy a pump and pump the water when I am sinking the shaft. Out of all this information, which we never heard of before can't we have another deal, where we can get the money first: Use what is needed to get out the ore, and tha balance to explore.

Dr. James Boyd, said this was a grub stake much better than the old times. Well here back in 1926, 5 of us went in Sam Woo store in Winslow, Arizona, and asked him to grub stake a little, Sam gave us $100.00 worth of groceries, and then gave us $250.00 in miney. Do the two sound similar. We, lost, Sam, I lose too.

In Professional Paper No. 200, by Dr. Laughlin, whic is the bible for the Magdalena District, he mentioned, Dentric Manganese in all the oxidized ore in small quantities. This mangahese ore in fine ground up portions give high assay values, but we do not know now it can be separated from copper, lead, zinc and other ore of the district it is associated with. We, had the C.F.I to run this analysis and advise us the best they could. However, they could not answer our question, but with this ore so critical, we thought the U. S. Bureau of Mines would be interested enough, to at least ask more questions. There reply is very explanatory. All we got to do is mine it, mill and ship to the purchasing agent at Deming. If we lose $10.00 or $15.00 per ton, that is our hard luck. The final results will be that the ore will be shipped to Elpaso smelter and gone over the dump. I would say that one-half of the ore mined in this district is of this calibert. If the district is mining, 10,000 tons per month, with manganese ore of 5 or 6% means something.

No 3 DMA

I am not writing this letter to you to snipe at our government officials in Washington, but just trying to bring about a fair deal, that someone can do something. I don't even know if the DMA considers my application of any importance, but somebody will have to mine this ore if we have any mineral. I would rather see 2 hombres working in a mine in our state than see 500 in Africa.

I am just one person and do not amount to much when we consider the entire country, but we are only a collection of several persons. What hurts me hurts my neighbor.

Thanking you for the many past favors, I am

Yours very truly,

/s/

Vernon F. Foy
1023 West Silver Ave.,
Albuquerque, N. M.

COPY

Dear Mr. Foy -

I enclose the correspondence with the Bureau of mines regarding the manganese that is found all over the Buckeye Mine. I had hoped that some one would be sufficiently interested to give it some consideration.

I had thought that in the present emergency, the fact that there is a great amount of manganese, hitherto unsuspected here would warrant some attention. I suspect that Van Deyke brown soil alongside the white dikes, is due to veins of manganese in or alongside the dike. If this should be true, then there may be an immense amount available.

Evidently, it does no appear have interested the federal employees at Denver.

/s/ T. E. Smith

Magdalena New Mexico COPY

Tuesday August 14, 1951

Mr. J. H. East, Regional Director

Bureau of Mines

Denver Colorado

Dear Mr. East:-

This is to bring to your attention a possible source of manganese/

In the Buckeye Mine, Socorro County New Mexico, manganese occurs in contact with old mine workings and in many mineralized openings. In one bPlace, more than six feet of brownish black vein matter is adjacent to a worked out area. I am not able to say how much there is, or what grade could be produced/ In fact I am not equipped to evaluate the deposit.

It is evidently a deposit like that of other ores. All openings are adjacent to one or another of the white dikes. (usually yellowish in the mine.) I assume the manganese is a primary constituent of the dikes. On joint faces or cleavage planed, dendric crystallization is characteristic. On the low side of one of the long whited dikes that have not been prospected, a Van Dyke Brown clay is conspicuous in three or four coulees. Whether or no it comes from a mineralized zone adjacent to or included in the white dike I am not prepared to say.

Considerable of the brownish black material is outside on the dump. I screened several pounds through a 16 mesh screen and saved the over size and the large hard lumps in two other containers. I brought the fines home to pan in the gold pan. When I put water on to wet the material before starting to pan it, there was much turbidity. I poured off much of the turbidity. . I attempted to filter it through cloth. Most of the brown material went through the cloth. I decanted an and dried it and I am sending you a tabacco can of the dust.

Panning did not seem to be effective as a separating method. The material that went over the edge seemed remarkably similar to the material that remained behind. Both contained much grainy material The grains were hard, white and much larger than the black material. The fine brown material did not feel grainy .It was soft, smooth and it stained my hand. I suspect it is high manganese., a sort of Wad.

I collected a sample once and had analyses made by C.F. and I C^{0} Results are as follows:-

Gold	0.002 oz	
Silver		trace
Copper		trace
Iron		5.3%
Manganese		5.1
Phospherus		0.004
Silica		47.50
Alumina		6.9
Barium		none
Sulphur		0.2
Lime		10.7

This came from a narrow opening in the limestone that had been worked upward about six feet and downward perhaps four feet. It was not more than two feet wide anywhere. I was looking for copper.

I have never paid much attention to manganese for it is dammable stuff to handle. But if it should be be of good grade anywhere or <u>if</u> any one should develope a method of concentrating the stuff, we might have some. It needs the attention of some one who knows more about et than I do, I may get over to that long white dike and fowow follow the Van Dyke brown stuff to see if it is vein material.

The great thing about it is this;- <u>If</u> we can find a good grade, the possibilities are great. The contact of Kelly lime and whitendikes will be measured in miles rather than feet, If it is any go good at all it// might turn into something great.

It might pay to turn one of your technicians loose on it. I can give him bed and board while he is smelling around and I can give him n an accurate geological map to work freg. I am,

Yours very truly,

Thomas Edwin Smith

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

224 New Customhouse
Denver 2, Colorado

August 30, 1951

Mr. Thomas Edwin Smith
Magdalena, New Mexico

Dear Mr. Smith:

This will acknowledge your letter of August 14, 1951, directed to Mr. J. H. East Jr., Regional Director, and concerning the manganese at the Buckeye Mine, Socorro County, New Mexico.

The sample you sent has been examined and is a siliceous manganiferous material that contains very little, if any lead.

The General Services Administration will open a manganese purchasing depot at Deming, New Mexico when plans are prepared. Miners who wish to sell manganese to the Deming Depot should notify Mr. Otto G. Klein, Regional Director, General Services Administration, Building 1-C. Denver Federal Center, Denver, Colorado of their intentions to participate in the program before September 15, 1951.

It is suggested that you notify Mr. Klein of your intentions and when the depot is in operation, you might submit a sample of your ore for consideration.

Very truly yours,

/s/ W. H. King

W. H. King for
P. T. Allsman, Chief
Mining Division, Region IV

Rec'd

Mining Division
Region IV

October 22, 1951

Memorandum

To: DMA Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMA Docket 591, V. F. Foy, applicant, Duchess Copper Mine, Water Canyon Mining District, Socorro County, New Mexico.

The application of the subject docket was for an exploration loan of $90,000.

An elaborate program was proposed to test geologic theories of Thomas F. Smith, a pseudo-geologist.

Therefore not any reserves in the accessible parts of the mine, the geologic probability of finding ore is remote, and the applicant is financially unable to provide his part of even a small project.

The examining engineer recommends denial of the application, with which we concur.

Paul T. Allmann

WDM:oj
cc: DMA subject, chron.
AHKoschmann

Mining Division
Region IV

August 29, 1951

Mr. V. F. Foy
Box 878
Albuquerque, New Mexico

Dear Mr. Foy:

This will acknowledge your letter of August 25, 1951 to Mr. J. H. East concerning DMA Docket 59X.

The property is scheduled for examination as soon as examining engineers are available, probably some time later than the date of August 27 which you mentioned in your letter.

Very truly yours,

W. H. King
for Paul T. Allsman
Chief, Mining Division, Region IV

WHK:oj

cc: DMA files
Subject
Chron.

Mining Division
Region IV

August 28, 1951

Memorandum

To: W. R. Storms

From: Chief, Mining Division, Region IV

Subject: DMA Docket No. 59X, V. F. Foy, Buckeye Copper Mine, Water Canyon District, Socorro County, New Mexico.

Attached for your information is a copy of a letter to J. N. East by Mr. V. F. Foy, concerning the subject docket.

W. H. K.

W. H. King
for Paul T. Allsman

WHK:oj

cc: DMA File
Subject
Chron.

REGIONAL DIRECTOR'S
OFFICE
REGION IV
AUG 28 1951
BUREAU OF MINES
DENVER, COLORADO

Albuquerque, N. M.
August 25, 1951.

Mr. J. H. East, Jr.
Executive Officer, DMA Field Team,
224 Custonhouse,
Denver, Colo.

Dear Sir:

I received a letter dated July 18th., from Mr. Tom Lyon, Director, Supply Division that my application had been sent to you for further study. This is DMA-59-X. To date I have not heard any word from you.

This property is being examined by Dr. Clay T. Smith, Geologist Socorro, N. M. for a Chicago group, who are interested in same. I thought it would be a good deal to have your Engineers go over the property at the same time with Smith. He will start his work, August 27th.

Thanking you, I am

Yours truly,

V. F. Foy

V. F. Foy
Box 878
Alabuquerque, N. M.

Mining Division
Date Rec'd.

SEP 6 1951

BUREAU OF MINES
Denver, Colorado

MINING DIVISION
REGION IV

September 4,

Air Mail

Re: DMA Docket 59X,
Buckeye Copper Mine,
Water Canyon Dist.
Socorro County. N.Mex.

Mr. V. F. Foy
Box 878
Albuquerque, N. Mex.

My dear Mr. Foy:

With reference to your application for aid in exploring your Buckeye Copper Mine, DMA Docket 59X, our engineer, Mr. Grant R. Rubly, will be able to meet you on Thursday morning, September 13, 1951 in Socorro, New Mexico. Kindly notify us at once if this arrangement meets with your approval and statewhere he is to meet you.

Sincerely yours,

Walter R. Storms, Chief
Arizona-New Mexico Branch

CC P. T. Allsman
J. H. Soule
C. A. Anderson
DMA-59X
DF

WRstorms:frj

July 23, 1951

Memorandum

To: W. N. Sherman (with brochure)
C. A. Anderson
(Through Chief, Mining Division, Region IV)

From: DMA Field Team, Region IV

Subject: DMA-59-I, V. F. Foy, Bapinya Copper Mine, Water Canyon District, Socorro County, New Mexico.

Enclosed herewith is the above brochure relating to an application for $50,000 to explore the above mine. This lacks information on many of the questions asked in MP-103. The applicant states that he will furnish 50 percent of the amount in wages and material. Verification of his ability to do this is suggested before any elaborate examination is made.

J. H. East, Jr.

A. H. Koschmann

Enclosure

WDM:ej
cc: CA Anderson
AH Koschmann
DMA Files

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

JUL 18 1951

REGIONAL DIRECTOR'S
OFFICE
REGION IV
JUL 20 1951
BUREAU OF MINES
DENVER, COLORADO

Re: Docket No. DMA-59X

Mr. V. V. Foy
Box 878
Albuquerque, New Mexico

Dear Mr. Foy:

This is to inform you that your application for aid for an exploration project has been referred to the field team for further study. You should hear shortly from Mr. J. H. East, Jr., Executive Officer, DMA Field Team, 224 New Customhouse, Denver 2, Colorado.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

JWAlt:ez

Copy to: Executive Officer, DMA Field Team IV
Reports & Records Branch
Administrator's Reading File
Coordinating Committee
J. B. Gowen, Rm 2612
Charles J. Johnson, Rm 3425
D. MacLaren
Files

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

REGIONAL DIRECTOR
OFFICE
REGION IV
MAY 7 - 1951
BUREAU OF MINES
DENVER, COLORADO

May 2, 1951

Re: Docket No. DMA-59

Mr. F. V. Fey
Box 878
Albuquerque, New Mexico

Dear Mr. Fey:

This is to acknowledge your letter of April 23, 1951 pertaining to government aid to help you purchase the necessary equipment to get your mine in production.

Since Mr. Lyon's letter to you on April 4, 1951, the Defense Minerals Administration has put into effect a program for assisting exploration projects which we thought might be of interest to you.

For your information we are enclosing a copy of a press release dated April 11, 1951, a copy of pertinent regulations MO-5 and one set each of Forms MF-100 (General Technical Data) and Form MF-103 (Application for Aid for an Exploration Project).

We wish to thank you for your interest in the copper program.

Very truly yours,

J. B. Cowen

J. B. Cowen, Acting Chief
Copper Branch

Enclosures

JWAlt:bsl

Copy to: Executive Officer, DMA FT, Region IV WCI
Executive Secretary WCI
Copper Branch WCI
Files

Albuquerque, N. M.
April 23, 1951.

Mr. Ja. K. Richardson,
Defense Minerals Administration,
Department of Interior,
Washington, D. C.

Dear Mr. Richardson:

I ask as a personal favor that you review my file in your department under, DMA#59. I have filed complete geology reports, costs, maps etc., trhough your Denver office, and I have received notice that they are in the files of your office.

I think that you know me well enough not to question my motives in this matter and that is get my copper mine into production. I have many contacts with private capital, but all of them think that government should take the first step if minerals are needed as bad as we think.

You will find that there has been some, $35,000.00 for work done on this property that past 10 years. I spent over, $2,900.00 down there last year, besides what was done b myself and my two boys. I have had several good Engineers estimate this work, I might name two of them. Jack Pierce and Wm Long, and they will estimate the work done would be better estimated at 8 to $10,000.00 as all the work done by Mr. Smith was on a percentage basis and not cash.

I am sure if I could get enough money to buy the necessary machinery and small pay roll, I can get out 300 ons of shipping grade ore, and do a great amount of development work. I need a compressor of 235 or 310 capacity, a larger hoist, and air pump with equipment, and pipe. I can buy a good used compressor here in Albuquerque. I think I can get the other at El Paso.

Thanking you, I am

Yours very truly,

/s/ V. F. Foy

V. F. Foy
Box 878
Albuquerque, N. M.

REGIONAL DIRECTOR'S
OFFICE
REGION IV
APR 11 1951
BUREAU OF MINES
DENVER, COLORADO

April 4, 1951

Re: Docket No. DMA-59

Mr. F. V. Foy
Box 678
Albuquerque, New Mexico

Dear Mr. Foy:

Your letter of March 22, 1951, asks if the Defense Minerals Administration could have the Bureau of Mines do some diamond drilling on your copper property. This is a matter that does not come within the authority of the Defense Minerals Administration and I suggest that you take it up with the Regional Director of the Bureau of Mines, Mr. J. H. East, Jr. His address is 224 New Customhouse, Denver 2, Colorado.

The Defense Minerals Administration expects shortly to put into effect a program for encouraging exploratory work on deposits of critical and essential minerals. The enclosed press release, dated February 20, 1951, describes this program in a general way. We shall be pleased to send you the regulations and application forms when they are available, if you so request.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

Enclosure

CHJohnson:pf

Copy to: Executive Officer, DMA Field Team, Region IV,
224 New Customhouse, Denver 2, Colorado w.c.i.
Executive Secretary w.c.i.
Copper Commodity Committee w.c.i.
Files

Albuquerque, N. M.
March 22, 1951

Mr. S. H. Williston, Director
Supply Division,
Defense Minerals Administration,
Washington, D. C.

Refer-Docket No. DMA-59

Dear Sir:

I would like to know if it is possible for your department to have the U. S. Bureau of Mines do some diamond drilling on my copper property. You have all the reports, maps, etc., in your files.

If a program of this nature could be done, and the geology was right, I am sure that I can raise private capital to place this mine into production. The Bureau has several times shown a willingness to do this work, but something always prevents them going ahead with the work.

Thanking you, I am

Yours truly,

/s/
V. F. Foy
Box 878
Albuquerque, N.M.

COPY

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

January 10, 1951

Reference: Docket No. DMA-59

Mr. V. F. Foy
Box 878
Albuquerque, New Mexico

Dear Mr. Foy:

Your application for a loan of $35,000 to develop and operate the Buckeye Copper Mine in Socorro County, New Mexico, addressed by you November 2, 1950, to Mr. J. H. East, Regional Director, U. S. Bureau of Mines, Denver, was forwarded to the Defense Minerals Administration, and assigned the above Docket Number.

The application has now been reviewed, with the conclusion that we cannot approve a loan for production purposes, but that the application may be set aside for reconsideration, if you so desire, as an exploration project at such time as methods and procedures for assistance in mineral exploration are completely formulated. That subject is under active consideration, and it is expected a program will be announced soon.

The denial of a loan for production rests largely on the inadequacy of measured ore reserves, and the lack of convincing evidence as to indicated (probable) reserves.

It is noted that you request the return of reports and maps accompanying your application. Kindly inform us whether you wish these returned at this time in view of possible future reconsideration as an exploratory project.

Very truly yours,

S. H. WILLISTON

S. H. Williston, Director
Supply Division

CHJohnson:ht

Copy to: Executive Officer, DMA Field Team,
Reg. IV - J. H. East, Jr.
Copper Commodity Committee
Executive Secretary (Mr. Strobel)
Files

November 15, 1950

Mr. [illegible] Foy
Box 678
Albuquerque, New Mexico

Dear Mr. Foy:

Your letter dated November 8, 1950 with the enclosed Geologists and Engineers report on the Buckeye Mining Property, Magdalena Mountains of Socorro County, New Mexico, has been received, and the report will be given careful consideration.

Sincerely yours,

J. [illegible] Lasky, Jr.
Regional Director

/lm

cc: PT Allsman
WR Storms
WD McMillan

Form 6-98

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

U. S. GOVERNMENT PRINTING OFFICE 16—53493-2

1/12/51 Proceddings of Operating Committee Meeting

DMA 59 - Buckeye Copper Mine, Socorro Co., NM

The Oper Com accepted the recommendation of the Copper Branch that the subject application for a $35,000 loan be rejected, but that we offer to set aside the application for reconsideration as an exploration project at such time as methods and procedures for assistance in mineral exploration are completely formulated. A letter of rejection to the applicant was approved and forwarded.