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

224 New Customhouse
Denver 2, Colorado

October 17, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: Final Report, DMA Docket 1476X, B. B. and P. Mining Co., Eagle Point Tungsten Claims, Hidalgo 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 $20,049 be denied.

The brochure is enclosed.

J. H. East, Jr.

for A. H. Koschmann

NOV 30 1951

Gentlemen:

This acknowledges receipt of your letter of November 6 regarding the Eagle Point Mine, Docket No. DMA 1476X, near Encinitas, New Mexico.

We have carefully reviewed the docket and have noted that your application for an exploration loan was denied July 2 upon the basis of submitted information and data available to Defense Minerals Administration. An application was reconsidered and subsequently denied on October 26 after an examination to determine the merits of the property had been made by a Defense Minerals Administration field team.

During 1943-44 lessees shipped 665 tons of scheelite-bearing tactite from the property to the Deming depot which averaged 0.44 percent WO_3. The material still remains in Deming because it is too low grade to warrant shipping to a mill for beneficiation. One can reasonably assume that the best showing was mined and that the stockpile in Deming indicates the approximate grade of WO_3-bearing tactite that can be ordinarily mined. While a higher grade material could be hand sorted from the tactite it would cost more to do so and the tonnage would be reduced proportionally to the grade increase.

The scheelite occurs as sparsely disseminated small grains or tiny veinlets in the dominantly garnet tactite. The tactite occurs in seven or eight pod-like bodies within a distance of 1,500 to 2,000 feet along the northern contact of a narrow tongue of eastward trending limestone that extends into a large granite mass. The tactite bodies range from 10 feet in outcrop diameter to 140 feet in length and from a few inches to 30.0 feet in width. Because the limestone-tactite tongue is of limited width and is surrounded on three sides by granite it is highly doubtful that the mineralized

W. B. and . Mining Company
c/o Mr. Ray E. Peters
410 California Building
Denver, Colorado

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

200 New Customhouse
Denver 2, Colorado

October 15, 1951

Memorandum

To: DMA Field Team, Region IV

From: Ogden Tweto

Subject: DMA Docket 1476X, Eagle Point Tungsten Claims, B. B. and P. Mining Co., Hidalgo County, New Mexico

Enclosed are the original and 7 copies of the geologic report by J. N. Faick and J. A. MacKallor of the U. S. Geological Survey covering the above docket. It has been recommended that the loan be denied.

The Bureau of Mines will not submit a report on this docket. The brochure is enclosed.

Ogden Tweto

Ogden Tweto, Alternate
Supervising Geologist
Colorado-Wyoming

Enclosures (9)

showings will extend to more than shallow depths, thereby limiting the potential tonnage that can be expected.

Previous limited sampling and recent examination of the tactite bodies by ultra-violet light showed that masses of the tactite are very low grade. Furthermore, careful comparative examination by means of ultra-violet light of the mining stockpile and the isolated occurrences of tactite at the mine suggests that only one of the occurrences might possibly produce material comparable in grade to that of the stockpile.

The ultra-violet light shows that the scheelite contains molybdenum. While scheelite concentrates containing limited amounts of molybdenum can be sold to consumers, if the WO_3 content is sufficiently high, most have to be digested to obtain the desired purity. This is an expensive process, and digesting facilities are limited geographically. Relatively low grade concentrates, 20.0 to 30.0 percent WO_3, would have to be shipped either to Long Island, New York, or to Bishop, California for treatment. Net on such concentrates would probably range from $35.00 to $40.00 per unit of contained WO_3 less freight.

In your letter mention is made that, where tonnages are sufficiently large, ore of 0.02% WO_3 and less is being successfully processed. May we point out that the source of your information is in error. The Bishop plant has been accepting ore meeting its specifications for impurities with a floor of 0.40% WO_3. In special cases it may accept ore assaying less but with penalties attached. In its own mining the minimum grade of limited tonnages is kept many times higher than 0.02% WO_3. The Company is able to do this only because of the sizeable tonnage of higher grade ore reserves that amortize capital investment.

In Mr. Fischer's report it is stated that there is no method of estimating the tonnage except by further development. One can make estimates of inferred tonnage based on the cross section areas of the mineralized bodies of potential ore grade and extend them to reasonable depths, depending on the characteristics of the mineralization and its occurrence. By estimating development and mining costs, milling costs, recoveries, marketing, taxes, amortization, etc., and comparing these figures with the gross value of the ore, one can arrive at a reasonable figure that will indicate the degree of possible success for a contemplated operation. The de-

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P.O.Box 4126, University Station
Tucson, Arizona

October 10, 1951

Memorandum

To: Field Team, Region IV, Denver, Colorado
Through: Mr. A. H. Koschmann

From: Mr. A. F. Shride, Tucson, Arizona

Subject: Final Report, Docket DMA 1476X, Eagle Point Tungsten Claims, B. B. and P. Mining Co., Hidalgo County, New Mexico

Enclosed are the original and 7 copies of the above report by J. N. Faick and J. A. MacKallor of the Geological Survey. The report and recommendations that an exploration loan be denied because the tungsten content of the presumed ore is low have my approval.

The Bureau of Mines will not submit a report on this docket. The brochure is enclosed.

A. F. Shride
A. F. Shride
Acting District Supervisor
Arizona-New Mexico

Enclosures 9

velopment of most mines and prospects is usually undertaken only after the operator has made such a study and found the venture feasible.

Because the Eagle Point testite is too low grade to mine and ship without beneficiation; because the bodies are small and isolated, thereby necessitating higher than normal development and mining costs; and because depth possibilities for tonnage sufficient to amortize a mill are very poor, it only can be concluded that the property does not warrant further exploration under present conditions. Thus, we regret to inform you that we concur with the previous decisions denying your application for an exploration lease.

Sincerely yours,

(sgd) Robert R. Rose, Jr.
Secretary of the Interior

Assistant

QCSelfridge/hmj
11-27-51
cc to: Secy Reading File
Sec'y File Copy
Sen. Chavez
Reports and Records
Adm. Reading File
Mr. Mittendorf
Mr. Selfridge
Mr. Thayer
Mr. McKnight
Region IV (2)
Docket

OCT 1951
RECEIVED
U.S. Geological Survey
Fishery Products Laboratory
Seattle

PROCUREMENT DIRECTOR'S OFFICE
REGION IV
OCT 31 1951
BUREAU OF MINES
DENVER, COLORADO

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

OCT 29 1951

Mr. Ray L. Peters
P.P. and P. Mining Company
410 California Building
Denver, Colorado

In reply please refer
to DMA-14762 - Tungsten

Dear Mr. Peters:

We have received the field report on your property and regret that we must again deny your application.

The ore bodies are small, disconnected, and too low-grade to merit an exploration project.

Very truly yours,

SIGNED
Tom Leon, Director
Supply Division

EAGLE POINT TUNGSTEN CLAIMS
B. B. and P. MINING CO.
LITTLE HATCHET MINING DISTRICT
HIDALGO COUNTY, NEW MEXICO
DMA 1476X

Geology

By John N. Faick
and
Jules A. MacKallor
Geologists, U. S. Geological Survey

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

DMA

OCT 29 1951

DIRECTOR'S OFFICE
RECEIVED
OCT 31 1951
BUREAU OF MINES
DENVER, COLORADO

Memorandum

To: Reports and Records Unit

Through: Director, Supply Division

From: Tungsten Branch

Subject: DMA-10768 - Tungsten - Exploration Project 12[illegible],[illegible]
[illegible] and [illegible] Mining Company, [illegible] Peters
410 California Bldg., Denver, Colorado
Property: Eagle Point Mine, Sierra County,
New Mexico.

The subject application has been examined by the field team and, based upon their report and recommendations, the application is denied.

A total of about 1[illegible],000 tons of low-grade (0.5[illegible]) tungsten-bearing tactite is inferred to exist in the deposits. The orebodies are small and disconnected, the deposit is isolated, and there are no milling facilities. The grade of ore does not justify exploration, development, or equipment of the property.

J.F.S.

George E. Holderer
Chief, Tungsten Branch

Attachment

Approved:

SIGNED

Director, Supply Division

JME

EAGLE POINT TUNGSTEN CLAIMS
B. B. AND P. MINING CO.
LITTLE HATCHET MINING DISTRICT
HIDALGO COUNTY, NEW MEXICO
DMA 1476X

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224, New Customhouse
Denver 2, Colorado

October 17, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: Final Report, DMA Docket 14,762, R. R. and F. Mining Co., Eagle Point Tungsten Claims, Elbalaga 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 $20,000 be denied.

The brochure is enclosed.

J. H. Ent, Jr.

J. H. Ent, Jr.

Per Ogden Tweet

A. H. Koschmann

WDM:oj
cc: DMA Subject and Chron.
AHKoschmann

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The Eagle Point tungsten claims are located in Granite Gap in the Little Hatchet Mining District about 17½ miles southwest of Hatchita, New Mexico. At this locality massive thick-bedded Cretaceous limestone has been intruded by two distinctly different types of granitic rocks. These underlie a large part of the Granite Gap area and the exposed limestone appears to be preserved as roof pendants and large tongue-like masses resting on the granite.

The limestone has been intensively metamorphosed to a garnet-tactite and the Eagle Point tungsten mine is in ore in the tactite zones. This tactite occurs in 8 more-or-less isolated masses along a contact between limestone and granite. Usually this tactite occurs with limestone on one side and granite on the other but in places the tactite masses are completely surrounded by granite.

The tungsten occurs as molybdenum-bearing scheelite in tiny veinlets or as small grains disseminated throughout the tactite. Zones where the garnet is coarsely crystalline or has been disturbed by secondary shattering contain somewhat more tungsten than the massive tactite. The tungsten is not thought to extend to very great depths because the metamorphosed limestone in which it occurs is probably resting on granite at relatively shallow depths.

About 665 tons of ore containing 0.44 percent WO_3 have been mined and stored at the Mineral Reserve Corporation's stockpile depot at Deming. This ore, when compared with the ore at the mine by means of an ultra-violet light, is estimated to be of better grade than any ore seen at the mine. One ore body exposed east of the

Mining Division
Region IV

September 12,1951

Mr. Ray S. Peters
B. B. & P. Mining Co.
410 California Bldg.
Denver 2, Colorado

Dear Mr. Peters:

This is in reply to your letter of August 29th to Mr. East, which has come to my attention for reply.

The General Services Administration has jurisdiction over all stockpiles created during the last war. Presumably they are the ones you should contact with any proposition you have to make with regard to purchasing tungsten at Deming, New Mexico.

It is suggested that you write to Mr. Otto G. Klein, Regional Director, General Services Administration, Denver Federal Center, Bldg. 1-C, Denver, Colorado.

Very truly yours,

P. T. Allsman
Chief, Mining Division

cc: Otto G. Klein
Sub
Chron

PTA:bh

open cut from which shipments were made is higher grade than the others and is nearly as good as the ore shipped to the Deming stockpile. This ore body is estimated to contain about 70,000 tons of inferred ore that may contain 0.40 percent WO_3. About 12,000 tons of similar ore may be available below the open cut where ore was mined for the Deming stockpile. Several other low grade ore bodies exist which, in the aggregate, amount to an additional 100,000 tons visually estimated to contain less than 0.25 percent WO_3. A total of about 182,000 tons of low grade tungsten-bearing tactite is inferred to exist in the Eagle Point deposits.

The applicant's proposed exploration of this deposit requires driving of two adits each 375 feet long and about 50 feet difference in elevation. One of these would be driven eastward from the open cut and has some merit since it could explore the best ore body about 50 to 75 feet below the surface. The other proposed adit cannot be justified on what is known of the geology.

There is little possibility of mining this tactite at a profit due to the isolated location of the deposit, the very low grade of ore, and the distance to railroad and market. The deposit would be difficult and expensive to mine because the small disconnected ore bodies would have to be mined as separate units, each requiring relatively high development and mining costs. Little or none of the ore could be profitably extracted by the applicants at the present time.

The Eagle Point tungsten mine is an undeveloped prospect completely lacking in mine plant, surface plant, tools, equipment,

Coleman

JEFFERSON STANDARD LIFE INSURANCE COMPANY

HOME OFFICE
GREENSBORO, NORTH CAROLINA

RAY S. PETERS, Manager
ROBERT W. NEESE, Cashier
Telephone: Keystone KE 2336

410 CALIFORNIA BLDG.
710 17th STREET
DENVER 2, COLORADO

August 29, 1951

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

Mr. J. H. East
Regional Director, Region IV
Room 224, Newcustom House
Denver, Colorado

DMA-1476-X

Dear Mr. East:

We certainly appreciate your valuable help in securing an early inspection of our property so that we can secure an answer to our application for an exploratory loan as soon as possible.

If we are granted an exploratory loan and a sufficient body of ore is established, a mill will have to be constructed in the vicinity of the mine in order to make production feasible.

I am advised that the Government has at least 2900 tons of tungsten ore stockpiled at Deming, New Mexico. If this 2900 tons of ore could be purchased by us on a reasonable basis it should have considerable influence in determining the feasibility of building a mill. How could we find out what the Government proposition would be?

Thanking you, I am

Sincerely yours,

Ray S. Peters

B. B. & P. MINING CO.

RSP/sg

power, water, and housing. The grade of ore does not justify exploration, development, or e uipping the prospect.

As this prospect has very little chance of producing tungsten commercially, it does not justify exploration and development under present conditions. It is therefore recommended that the application of the B. B. and P. Mining Company be denied.

August 15, 1951

Memorandum

To: W. H. Storms (with brochure)

(Through Chief, Mining Division)

Charles Anderson

From: DMA Field Team, Region IV

Subject: RFC Docket 1476X, B. B. & F. Mining Company, c/o Ray S. Peters, 410 California Building, Denver, Colo., Eagle Point Mine (Tungsten) Machias, New Mexico

Enclosed is the brochure for the above application for an exploration loan estimated to cost $20,049.40.

This application was denied in Washington, but the Washington office later believed it expedient to submit the application to the field for an examination. A complete geologic and engineering examination should be made.

Please notify Ray S. Peters, 410 California Building, Denver, Colorado, phone Keystone 2336, when an inspection is to be made. Also contact the owners of the property, J. M. Winslow and S. L. Duskin who live at Raton.

F. T. Allman, Alternate

A. M. Eastman

Enclosure

14

cc: RFC

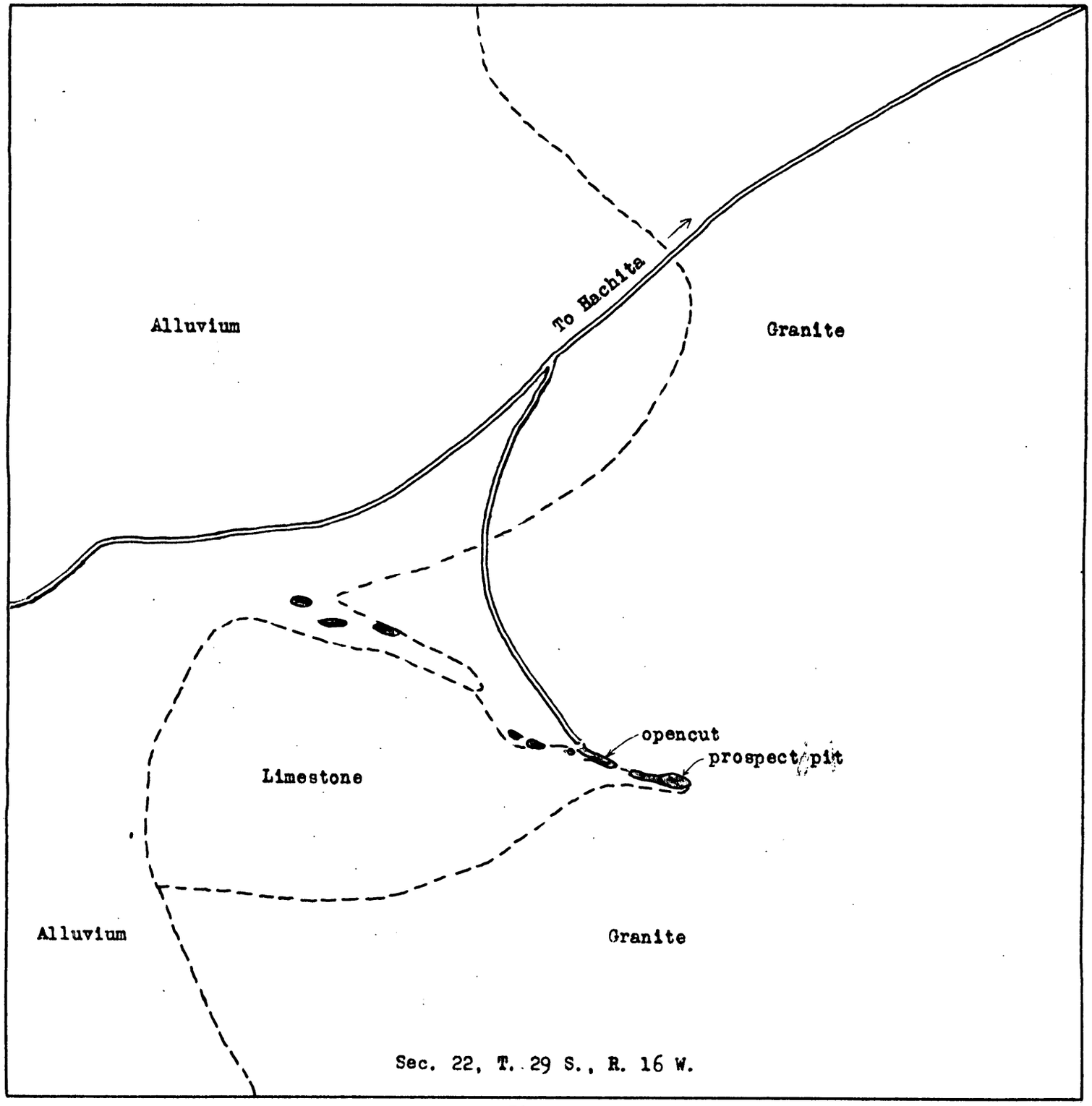

Fig. 1

SKETCH OF EAGLE POINT PROSPECT,
LITTLE HATCHET DISTRICT, NEW MEXICO

N

tactite

Scale: 1" = 660'

D.M.A. 1476X

July 26, 1951

Mr. Ray S. Patent
B. R. & P. Mining Company
410 California Building
Denver 2, Colorado

Dear Mr. Patent:

This is in reply to your letter of July 19, 1951, regarding DMA Permit 14761. We have received no information from Washington regarding this application. It is noted that you have written Mr. Lynn concerning the matter. You will no doubt hear further from him.

I regret that we are not familiar with the history of the application.

Yours very truly,

J. H. Eng, Jr.
Managing Director
DMA Field Team, Region IV

jd

cc: DMA

Washington

INTRODUCTION AND ACKNOWLEDGMENTS

The Eagle Point tungsten mine was examined September 19-20, 1951. The purpose of the examination was to evaluate the prospect for the Defense Minerals Administration to which an application for an exploration loan has been made by the B. B. and P. Mining Company.

This report is based upon a reconnaissance examination of the property and upon a careful examination of the mineral occurrences with an ultraviolet light. A letter report by James E. Bell[1/] dated February 15, 1942, a War Minerals Report dated December, 1942, and a letter report by Paul C. Bateman[2/] dated April 26, 1943 were freely drawn upon in connection with this report.

The examining geologists were accompanied to the property by Mr. J. H. Winslow who discovered the ore in 1940 and who is part owner of the Eagle Point Claims.

GEOGRAPHY

The Eagle Point claims are located in the Little Hatchet Mining District, Hidalgo County, New Mexico. The claims are in the southern half of Sec. 22, T. 29 S., R. 16 W., about 17½ miles by road southwest of Hatchita, New Mexico. The claims lie at an altitude of approximately 4700 feet in Granite Gap at the base of the southwest slope of the Little Hatchet Mountains.

The claims are readily accessible by a fair dirt road from Hatchita, New Mexico, a station on the Southern Pacific Railroad.

1/ Mining Engineer, U. S. Bureau of Mines.
2/ Geologist, U. S. Geological Survey

Adamson discuss
pls
this with me
JMR

HISTORY AND PRODUCTION

In 1940 Mr. J. N. Winslow discovered scheelite in the area, and with a partner, Mr. C. L. Buskirk, located the Eagle Point claims in February, 1941.

In February, 1942, Mr. James E. Bell, mining engineer, examined and sampled the property for the U. S. Bureau of Mines; in 1943 Mr. Paul Bateman of the U. S. Geological Survey examined the property. An application from the E. E. and F. Mining Company for a Defense Minerals Administration exploration loan on the Eagle Point claims was rejected in June, 1951, but was later sent to the field team for a complete examination.

In September, 1942 the owners negotiated a lease with a group from Houston, Texas, that were represented by Gail Whitcomb, Commerce Building, Houston. Mr. W. A. Bohn, 4207 Woodleigh, and Mr. C. A. Hall, both of Houston were two of the lessees. In 1943-1944 these lessees shipped 665 tons of ore from an open cut on the Eagle Point No. 1 claim. The ore, which averaged 0.44 percent WO_3, was sold to the Minerals Reserve Corporation depot in Deming, New Mexico, and is still in this stockpile because it is too low grade to permit processing.

OWNERSHIP AND EXTENT OF CLAIMS

Messrs. Winslow and Buskirk own four unpatented claims: Eagle Point 1, 2, 4, and 5. Eagle Point No. 3 was located as a building site, but the claim was permitted to lapse.

On May 5, 1951, the Eagle Point claims were leased for 20 years to Mr. Ray L. Peters, Mr. Watson E. Bowes, and Mr. Fred Baker, all of Denver, Colorado. The lessors are to receive a royalty of 10%

JEFFERSON STANDARD LIFE INSURANCE COMPANY

HOME OFFICE
GREENSBORO, NORTH CAROLINA

RAY S. PETERS, Manager
ROBERT W. NEESE, Cashier
Telephone: Keystone KE 2336

July 19, 1951

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

410 CALIFORNIA BLDG.
710 17th STREET
DENVER 2, COLORADO

Mr. J. H. East
Regional Director, Region IV
Room 224, New Customs House
Denver, Colorado

Re: DMA-1476-X

Dear Mr. East:

Enclosed please find copy of a letter just sent to the department in Washington in answer to their letters of July 2 and 13 which you doubtless have in your file. If they are not in your file, it will be a pleasure to show them to you.

It is our opinion that in some way the department has some definite misinformation and we feel that it justifies clarification.

Most sincerely yours,

Ray S. Peters

B. B. & P. MINING CO.

RSP/sg
Enc.

on all ore shipped and are guaranteed $200 a month, effective July 1, 1951. According to the terms of this agreement the lessees were required to start work not later than July 1, 1951. The owners have agreed to cooperate with the lessees in seeking a loan from the Defense Minerals Administration. However, no work had been done by the lessees up to the time of the examination on September 19, 1951.

GENERAL GEOLOGY

The ores of the Eagle Point tungsten mine occur in a narrow easterly trending patch of limestone on the west slope of Granite Pass; about 17 miles southwest of Hatchita, New Mexico. The limestone is light gray, thick-bedded to massive and is probably of Cretaceous age. It strikes nearly east-west and dips 47 degrees south. It has been intruded by two distinctly different types of granitic igneous rocks of either Cretaceous or Tertiary age. The limestone may represent a roof pendant or an extension of a mass of limestone occurring in the mountains about a mile northwest of the mine. It appears to be resting upon a floor of intrusive granite and probably extends to shallow depths of only 200 to 300 feet.

In the vicinity of the Eagle Point prospect the easterly trending limestone zone has been extensively converted to tactite as a result of intense metamorphism by the intruding granites. This tactite consists of both massive and crystalline brownish garnet with which is associated small amounts of epidote, magnetite, and scheelite. Several small post tactite dikes are localized near the contact zone and locally cut across the ore bodies.

OCCURRENCE OF ORE

Scheelite is the only mineral of economic importance and occurs as small grains and tiny veinlets widely distributed throughout the tactite.

July 19, 1951

Mr. Tom Lyon
Director, Supply Division
Department of the Interior
Defense Minerals Administration
Washington 25, D. C.

Re: DMA-1476-A

Dear Mr. Lyon:

Your letters of July 2 and 13 were received by us on July 17. Your letter of July 2 doubtless had an improper Post Office address to begin with.

We appreciate hearing from you and the information which you gave us is extremely interesting. After carefully considering your two letters, there is no question in my mind about your sincerity in rejecting the loan. As pointed out in both of your letters, some Government engineer has made a report that there was no ore in sight on the above property. This would indicate in your mind a hoax on our part or on the part of the mine owner.

We lessees have seen the property. We have taken samples from the open cut, Eagle Point Claim #1. Our geologist has taken a sample from the same place. They have been assayed by a reputable assayer. The lowest content being .44% of any sample taken from this place. The highest result was 26.65% on a small piece of wolfermite taken from the limestone contact in the same cut. This latter was the first evidence that we had that there was any wolfermite whatsoever on the property.

The assay we sent to you showing a trace only of tungsten was taken from the surface of one of the other outcropping of a similiar formation on one of the claims.

Most of the scheelite occurs in grains less than 1/16 inch in diameter, although it is occasionally found in larger grains and small veinlets. These fluoresce golden yellow under ultraviolet radiation, thus suggesting the presence of molybdenum, which was detected by previous investigators. The amount of scheelite is relatively small.

The tactite along the granite-limestone contact occurs in 8 isolated masses (see fig. 1) ranging in size from about 10 feet in outcrop diameter to areas about 140 feet long by 30 feet wide. Most of these were restricted to the contact between the limestone and the granite; however, at least one mass of tactite is completely surrounded by granite. It is thought the tactite is underlain by granite at relatively shallow depths, thus eliminating any possibility of deep extensions of tactite or ore.

All of the tactite examined with the aid of an ultraviolet light showed the presence of some scheelite. These areas in which garnet was coarsely crystalline or granular appeared to contain considerably more scheelite than does the massive garnet. It was also noted that scheelite occurred in greater abundance in areas where the garnet tactite showed secondary brecciation.

GRADE OF ORE

One of the ore bodies has been worked by an open cut from which 665 tons of ore averaging 0.44 percent tungsten was shipped to the stockpile at Deming, New Mexico. The stockpile was examined during this visit to determine how it compares with the ore remaining in the area. Under the ultraviolet light the stockpile appears better than anything seen at the mine. It is probable that the stockpiled ore was taken from one of the better mineralized tactites and may have also been

Naturally, it is possible that we do not have a sufficient amount of ore of a sufficient richness to justify development of the property because we are well aware of the fact that a mill will be necessary to develop it. However, with the proper amount of exploratory work, this fact could be established. We are sincere in believing that this property justifies further, careful consideration which we respectfully ask that you give us.

We suggest that you send an engineer to this property who will, I am sure, confirm the facts as stated in our application.

Sincerely yours,

MANAGER

RSP/sg

brought up to its present grade by a certain amount of hand sorting. Only one ore body, a relatively large one east of the open cut, appears to approach the grade of the material in the stockpile.

Six samples were taken by Mr. James E. Bell during a previous investigation.[3] These are fairly representative of much of the tactite and are given below:

Sample	Width of outcrop	Where located	Percent WO_3
469	10 feet	Small prospect pit	0.38
470	15 feet	Old open cut 500 feet east of 469	Less than 0.01
471	20 feet	Grab sample 580 feet west of 469	Less than 0.01
472	30 feet	Grab sample from outcrop 400 feet northwest of 471	Less than 0.01
473	10 feet	Grab sample from outcrop 400 feet from 472	0.02
474	10 feet	Grab sample from outcrop 200 feet north of 473	0.19

The exact locations of these samples were not available for this examination. It is thought that the ore in the Deming stockpile was shipped from the same locality as sample No. 469. Most of the tactite is so low in tungsten content that it is worthless as is shown by the above samples.

ORE RESERVES

The ore body east of the open cut is of fair grade and is nearly as good as the material in the stockpile at Deming, New Mexico. This ore body is estimated to contain about 70,000 tons of inferred ore that may assay 0.40 percent tungsten. About 12,000 tons of similar ore

3/ Latter Report, February 15, 1942.

JEFFERSON STANDARD LIFE INSURANCE COMPANY

HOME OFFICE
GREENSBORO, NORTH CAROLINA

RAY S. PETERS, Manager
ROBERT W. NEESE, Cashier
Telephone: Keystone KE 2336

410 CALIFORNIA BLDG.
710 17th STREET
DENVER 2, COLORADO

July 3, 1951

REGIONAL DIRECTOR'S OFFICE
REGION IV
JUL 3 1951
BUREAU OF MINES
DENVER, COLORADO

Mr. J. H. East
Regional Director, Region IV
Room 224, New Customs House
Denver, Colorado

~~1547X~~
1476X

Dear Mr. East:

Enclosed please find copy of my most recent letter requesting additional information in connection with the above exploratory loan.

I wish to assure you that any assistance you could give us or any suggestion you might make to facilitate this matter will be very much appreciated by us.

On behalf of Mr. Bowes and myself, I wish to thank you for giving your time so freely for a conference with us a week or two ago.

With kind regards, I am

Sincerely yours,

Ray S. Peters
MANAGER

RSP/sg

ATE

may be available below the open cut where ore was mined for the Deming stockpile. In addition to this several other small low-grade ore bodies exist which, in the aggregate, amount to an additional 100,000 tons that are estimated to contain up to 0.25 percent tungsten. Total inferred reserves are about 182,000 tons of ore, nearly all of which is too low grade to mine.

ECONOMICS

There is little possibility of mining this tactite at a profit due to the isolated location of the deposit, the very low grade of the ore, and the distance to railroad and markets. The deposit would be difficult and expensive to mine because the small disconnected ore bodies would have to be mined as separate units, each requiring relatively high development and mining costs. It is doubtful if any of the ore could be profitably extracted by the applicants at the present time. The best ore body is the relatively large one east of the open cut, but this is probably not commercial under present conditions.

EXPLORATION

One ore body has been explored by the mining of 665 tons of 0.44 percent tungsten ore, and by drilling several short diamond drill holes. The deepest hole was drilled vertically below the open stope for 180 feet and shows that some of the ore persists to this depth. Only very small surface cuts and pits explore the other ore bodies.

The applicants propose to drive one adit easterly from the open cut and another similar adit from a point 375 feet west of the first. The first adit has some merit since it would explore the best

1814-A

COPY OF LETTER
JEFFERSON STANDARD LIFE INSURANCE COMPANY
GREENSBORO, N. C.

July 3, 1951

Mr. Tom Lyon
Director, Supply Division
Department of the Interior
Defense Minerals Administration
Washington 25, D. C.

Re: DMA-1476-X

Dear Mr. Lyon:

In my letter of June 19 which was followed up with additional information on June 22 I asked the specific question as to definite information in the possession of your department which might be of extreme value to us in any case.

To date I have not received a reply from you and I hope you will pardon this follow up urgent request for an answer. We sincerely believe we have a project which will produce a sizable amount of tungsten and we are anxious to go ahead with the proposition. Your reply to the above question would be very helpful to us.

I wish to ask an additional question. Could you suggest a list of competent engineers in this general territory whose report on this mine, if secured, would be considered authentic and reliable by your department? We would be willing to employ a man to make such survey of this property.

Thanking you for your early attention to this inquiry, I am

Most sincerely yours,

Ray P. Tellus

MANAGER

RPT/sg

remaining ore body about 50 to 75 feet below the surface. The second adit has very little merit as the topography is such that the adit would be driven only a few feet below the surface in an area where very little tactite is exposed. In this area the amount of tactite is so small that exploration is not justified. The adit could serve for extraction of ore below the open cut but would not provide sufficient depth to justify the cost.

If any of the ore bodies now exposed at the surface are found to be of sufficient grade to mine, the ore could best be extracted in the initial stages by open pit mining. The deposits do not warrant sinking shafts and driving adits at present. Exploration by diamond drilling would help establish the location of the mineralized contact and would serve for testing and delineating the ore bodies. Diamond drilling does not appear to be justified because of the consistently low grade of ore and adverse economic conditions under which it would have to be exploited.

DEVELOPMENT PLANS

According to Mr. J. H. Winslow, the lessees plan to erect a small mill on the property if exploration reveals sufficient ore. The lessees have advised Mr. Winslow that they will go ahead with their plans to explore the ore occurrence and erect a mill even if they do not receive a Government loan for the exploration. However, Mr. Winslow is of the opinion that they will not proceed with their plans to explore and develop the property and build a mill without Government assistance. The intentions of the lessees are somewhat in doubt as they have done no work on the property while holding the lease.

According to the owners, Messrs. Winslow and Buskirk, the same Houston group that worked the property in 1943 and 1944 want to develop the property if the B. B. and P. Mining Company give up their lease. This Houston group is reported to be operating a small tungsten mill in Nevada and would erect a small mill on the Eagle Point claims if they can obtain control of the property. The Houston group is reported to be financially able to develop the property and build a mill, and would not require Government assistance. Thus it seems some effort is to be made to put the property into operation regardless of what action is taken on the application of the B. B. and P. Mining Company.

CONCLUSIONS AND RECOMMENDATIONS

This examination of the Eagle Point tungsten claims near Hatchita, New Mexico reveals an inferred 182,000 tons of scheelite bearing tactite. The scheelite, which contains some molybdenum, is disseminated in garnet tactite, a metamorphosed limestone. The tungsten content ranges from nil to about 0.5 percent tungsten. About 665 tons have been mined and shipped to the Deming stockpile of the Mineral Reserve Corporation.

The available ore is low grade, expensive to mine and isolated from markets. It cannot be profitably mined and therefore it is recommended that the application of the B. B. and P. Mining Company be denied.