#713

See HMA-605

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

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
SEP - 4 1951
SAN FRANCISCO, CALIFORNIA

Refer to	Notes	Date
	Neal	9/4
Answered		

RWASKEY:mp
8/23/51

cc: Field Team, Reg. III (2)
210
Mr. Lyon
Mr. Barr DMA Files

370

AUG 28 1951

Mr. Tom G. C. Mulkern
P. O. Box 542
Las Vegas, Nevada

Re: DMA-724, Mica

Dear Mr. Mulkern:

Replying to your wire of August 22, 1951, we regret that this office is unable to approve Government assistance for development or operation of your mica deposit unless it can be definitely established that the deposit contains appreciable quantities of mica, qualifying as strategic under National Stockpile Specifications. Any development and operation loan must be backed by proven reserves adequate to assure repayment.

Exploration assistance under MO-5 may be granted on a prospect without proven reserves, however, it must be demonstrated that the deposit contains material qualifying as strategic grade and that there is a reasonable probability of discovering substantial amounts of such material by the proposed exploration.

The data which you submitted in connection with subject application was carefully studied by this office and by appropriate specialists in the U. S. Geological Survey and the Bureau of Mines. We cannot approve a loan for operation of the deposit in its present state of development; however, if you wish to apply for exploration assistance under MO-5, and submit samples of mica from the deposit which qualify as strategic under National Stockpile Specifications, we will be glad to give such an application our very careful consideration.

We enclose National Stockpile Specifications P-32a and data on quality specifications of sheet muscovite for your information. Please note that non-ruby (green) mica does not qualify. We also enclose information on the Exploration Program and appropriate application forms, should you wish to so apply.

Sincerely yours,

Tom Lyon

Tom Lyon, Director
Supply Division

copy to Bailey 9/4

Enclosures

Refer to	Noted	Date
	Hall	8/22
Answered		

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

370

DEPARTMENT OF INTERIOR
DEFENSE MINERALS
ADMIN.
RECEIVED
AUG 22 1951

AUG 16 1951

Mr. Tom C. C. Mulkern
P. O. Box 542
Las Vegas, Nevada

Re: DMA-724-Mica

Dear Mr. Mulkern:

Your application for Government loan to equip and operate mica deposit in Clark County, Nevada, docketed as DMA-724, has been reviewed by this office.

Projects approved by the Defense Minerals Administration must, in its judgment, show definite promise of yielding material of acceptable grade, physic l character and specifications, in quantities that will significantly improve the mineral supply position for National Defense. Where a production loan is involved, an adequate mineral reserves must be proven to assure the economic feasibility of the project with respect to repayment.

A very careful study of your proposal revealed the following:

1. Mica samples submitted, although of a quality acceptable for many uses by the electrical industry and hence having commercial value, did not qualify as strategic grade material under National Stockpile Specifications, and therefore did not indicate that the project would qualify for approval by the Defense Minerals Administration.

2. No data has been submitted to establish that more than very minor amounts, if any, of strategic grade material might be produced by the proposed operation.

3. Proven mineral reserves (strategic or otherwise) adequate to assure the feasibility of the project with respect to repayment, have not been established.

Under these circumstances, your request for a Government loan in the amount of $371,550.00, is denied. Should additional

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information become available, we would be glad to have you resubmit your proposal for consideration.

Unless we receive a request within thirty days, we shall consider the case closed.

Sincerely yours,

Tom Lyon

Tom Lyon, Director
Supply Division

RWASKEY:mp
8/13/51

cc: Field Team, Region III (2)
210
Mr. Lyon
Mr. Barr
LMA Files

Refer to	Noted	Date
Answered		

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

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AUG 22 1951
SAN FRANCISCO, CALIFORNIA

370

AUG 16 1951

Memorandum

To: Reports and Records Unit, DMA

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA-724, Tom G. C. Mulkern
Commodity: Mica
Amount of loan: $371,550

Denial recommended because:

1. Adequate reserves not proven.

2. Mica samples submitted were not of strategic grade.

Attached:

1. Form NSRB-146 with Appendix "A"
2. Letter dated Aug. 1
3. Letter with samples from applicant dated Aug. 7.
4. Brochure-Appendix "B" (Please note that Mr. Mulkern requests that same is returned).

James A. Barr, Sr.

RWASKEY:mp
8/13/51
cc: Field Team, Region III (2)
Mr. Lyon
Mr. Barr
210
DMA Files