AUG 1 4 1951

DMA

REGIONAL DIRECTOR'S
OFFICE
REGION IV
AUG 1 6 1951
BUREAU OF MINES
DENVER, COLORADO

Re: DMA- 357

Mr. J. W. Allison
Kamas, Utah

Dear Mr. Allison:

In our letter to you of April 12, signed by Otto Herres, it was pointed out that your application (DMA- 357), for Federal aid to explore and develop the Bennie Lou mine might be eligible for assistance under the exploration program of the Defense Minerals Administration. This program calls for equal participation in exploration costs on the part of the applicant. Explanation of the plan and the necessary forms for making application were sent to you at that time.

As we have not received an application from you under the exploration program, we are transferring your original application for a loan to an inactive file. As explained in our letter of April 12 a straight development or mining loan cannot be approved unless there are adequate proven ore reserves to secure the loan, and your application does not indicate such reserves.

If at some future date you should care to explore your property under the Defense Minerals Administration's program, we will be glad to consider an application from you. We wish to thank you for bringing your property to our attention.

Very truly yours,
Tom Lyon

Tom Lyon, Director
Supply Division

FWO
4-21-51

FJLee:sw
G 8-8-51

Copies to: Regional Field Team (2) Jack H. East Jr. - Region 4
Chief, Lead-Zinc Br.
E. T. McKnight
R. H. Mote
Reports and Records Unit
Director's r. file 4214 GSA
Br. r. file 4214 GSA
Files

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

APR 12 1951

In reply please
refer to DMA-3.7

Mr. J. W. Allison or
Loyd Louder
Ely, Utah

Dear Sirs:

One of the purposes of the Defense Production Act of 1950 is the encouragement of exploration, development and mining of strategic minerals and metals. Where an applicant has proven reserves of strategic materials, Federal aid in mining can be given through procurement contracts for such materials as are in short supply. On the strength of these contracts, the applicant can obtain private financing in most instances.

The program recently approved for encouragement of exploration of strategic materials calls for participation on the part of the applicant. For zinc, lead and copper deposits it will be necessary to match Government funds on an equal basis. Funds advanced by the Government will be considered a loan, to be repaid if the exploration is profitable, but to be cancelled if unsuccessful. The details of the plan, explaining the projects that will be eligible for assistance, the terms and schedules of financing, repayment, and other pertinent information, are enclosed.

A review of your application (DMA-357) for financial aid in an exploration and development program at the Bonnie Lou Mine indicates that your proposal may be considered under this exploration program. Details concerning expenditures that will be considered chargeable to exploration aid will be subject to a final determination by negotiation, but as a preliminary appraisal, we believe that the program will apply to the total amount of your application, $10,000.00.

Before we can proceed further with consideration of your application, which may or may not require a field examination, please indicate your willingness to provide your share of the funds needed to carry out the proposed exploration. Any modification of your original proposal that you may wish to make will be considered, but you should be specific concerning the work you wish to undertake.

Very truly yours,

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

A.B. Campbell:mw
G 3/21/51

Copies to: Chief, Lead-Zinc Br.
Enclosures USGS McKnight
L. B. Moon
R. H. Mote

Strobel
Mittendorf
Files
2 copies to J.H.East,Jr
Region IV

DMA

uow

13 1951

February 6, 1951

In reply please refer to
Lead-Zinc-357

File 4Hacker

Mr. J. W. Allison

Ramas, Utah

Dear Mr. Allison

Your application for a Government loan under provisions of the Defense Production Act of 1950 has been reviewed by the Lead-Zinc Branch of the Defense Minerals Administration. Before your application can be considered further, certain additional information is required.

Enclosed are five copies of M.S.E.B. form 146, Application for Government Loan. Please supply the data requested and return four of these schedules to Dr. James Boyd, Administrator Defense Minerals Administration, Department of the Interior, Washington 25, D. C. In addition, we are requesting that you supply us with the data for the items listed on the supplemental questionnaire. Please return this questionnaire together with one copy of the answers.

Very truly yours,

OTTO HERZOG, Chief
Lead-Zinc Branch
Defense Minerals Administration

Enclosures 6

Al Brokaw:jeh
G-2/6/51
copy to: Chief, Lead-Zinc Branch
Geological Survey - McKnight
J. H. Hedges
R. H. Mote
2 copies to Executive Officer,
Regional Field Team, Region IV
Strobel
Mittendorf
Files

3/16

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
ROCKY MOUNTAIN REGION
REGION IV

OFFICE OF
REGIONAL DIRECTOR

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

December 20, 1950

Allison and Louder
~~Kanab~~, Utah

Gentlemen:

This will acknowledge receipt of your letter report dated December 18, 1950, relative to the Bonnie Lou mine.

Your report will be forwarded to the Defense Minerals Administration, Washington, D. C., for consideration.

Sincerely yours,

J. H. East, Jr.
Regional Director

/lm

cc: [illegible] Allisman

(Original of report received only - for [illegible])

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
CHIEF, OIL SHALE MINING DIVISION
SYNTHETIC LIQUID FUELS PROGRAM

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

December 11, 1950

Allison & Louder
Kamas, Utah

Gentlemen:

This is in reply to your letter of December 7, 1950, concerning mining aid loan on your prospect in West Tintic district, east of Desert Mountain and 37 miles west of Eureka, Utah.

We realize that the information you probably received at the Bureau of Mines office in Salt Lake City could be supplied in its entirety only by the large operating mine, however, some of the information would be available in any type of mine or prospect, therefore it is suggested you send in all the information you have concerning the questions listed.

The program for mining aid is still being formulated in Washington, D.C., and presumably at some later date some decision will be made as to what if any aid will be given to encourage exploration and development of prospects.

In the meantime, I suggest you answer as many of the questions as possible as indicated in the form letter enclosed.

Sincerely yours,

pPaul T. Allsman, Chief
Mining Division

Enclosure

PTA:vmt
Subj File
Chron File

REGIONAL DIRECTOR'S
OFFICE
REGION IV
DEC 8 - 1950
BUREAU OF MINES
DENVER, COLORADO

KAMAS, UTAH
DEC. 7, 1950

Dear Sirs:

I am writing you this letter, in hopes to obtain all the information possible in regards to the Defense Production Act, for the loaning of Goverment money for the purpose of Mine Development work to the small operator.

Mr. Samuel Allison & myself have a very Prospers looking Prospect but, we are unable to develop it because of lack of finance.

We visited the Bureau of Mines in Salt Lake City & the information we received from them seems to apply to the larger Companies already in operation.

Our Prospect is located in the West Tintic District, east of Desert Mt. & West of Eureaka 37 Miles.

Mr. Allison and Myself drove a Drift 75 feet on a Quartz Fissure. We have had some good assays on the Property but, the quanity of the ore showing is not great enough that we can put it on a paying basis The ore contains Gold, Silver, Lead and some Zink. We made one shipment of the dump of an old incline which was run years ago. the Dividends we received on the shipment amounted to $19. per ton after smelting and trucking expenses were deducted, but it was not enough for us to keep going, we have gone as far as we can without some more financing.

I should like to find out all the information possible about obtainig a Goverment loan, if such a thing is possible.

We appreciate your sincere cooperation on this matter.

Sinerely, Yours
Allison & Louder
Kamas, Utah
Summit, County
Phone, 611 Kamas

Form 6–98

# UNITED STATES
# DEPARTMENT OF THE INTERIOR
## BUREAU OF MINES

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