224 New Customhouse
Denver 2, Colorado

July 10, 1951

AIR MAIL

Memorandum

To: Landon Starbird, Executive Secretary, Defense Minerals Administration

From: Field Team, DMA, Region IV

Subject: DMA Docket 112, Ore Mining Corporation, Yuma County, Arizona

Attached herewith is report on the above docket. The report indicates that the ore is submarginal and we recommend that the loan be denied.

We are returning the brochure with this letter.

J. H. East, Jr.

A. H. Koschmann

Attachments:
One copy by air mail
Two copies by regular mail

Mining Division
Region IV

July 3, 1951

Memorandum

To: J. H. East, Jr., U. S. Bureau of Mines
A. H. Koschmann, U. S. G. S.

From: P. T. Allaman, Chief, Mining Division, Region IV

Subject: Final Report, DMA Docket 112, Ore Mining Corp., Yuma County, Ariz.

The above report has been received. It is noted that the grade of the ore is submarginal and would be uneconomical to mine under the present metal prices. Any additional ore found probably would be too low a grade. I concur with the conclusions and recommendations of the examiners that the loan should be denied.

P. T. Allaman

PTA:oj
Chron.
Subj.

224 New Customhouse
Denver, Colorado

June 25, 1951

Memorandum

To: Regional Director, Region IV (in Washington)

From: Chief, Mining Division

Subject: DMA dockets - Arizona-New Mexico

Following is a telegram received from W. R. Storms this morning:

"DMA Examiners recommend that lease be denied for dockets 112, 240, 514, 691, 813, 1057 and 1220. Final reports will be mailed when completed."

P. T. Allsman

/cl

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

1201

(39)

W. P. MARSHALL, PRESIDENT

SYMBOLS
DL=Day Letter
NL=Night Letter
LT=Int'l Letter Telegram
VLT=Int'l Victory Ltr.

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

LA 118

L TSA 162 PD=TUCSON ARIZ 25 1026A=

PAUL T ALLSMAN, US BUREAU OF MINES=

224 NEW CUSTOM HOUSE DVR=

1951 JUN 25 AM 11 06
Mining Division
Date Rec'd.

JUN 25 1951

BUREAU OF MINES
Denver, Colorado

DMA EXAMINERS RECOMMENDS THAT LOAN BE DENIED FOR DOCKETS 112,240,514,691,813,1057 AND 1220 FINAL REPORTS WILL BE MAILED WHEN COMPLETED=

WALTER R STORM=

112,240,514,691,813,1057 1220=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

Mining Division
Region IV

April 25, 1951

Memorandum

To: W. R. Storms

From: Chief, Mining Division

Subject: DMA 112, Oro Mining Corporation, Yuma Copper mine, (Tres Amigos), Ellsworth Mining District, Yuma County, Arizona

The brochure on the above application is enclosed. Also enclosed is a copy of a digest by the Coordinating Committee which emphasizes the points of the proposed plan that need special consideration by the engineer and geologist.

Since milling is involved, it appears to me that Clemmer should come into the investigation, particularly to check the milling and costs.

P. T. Allsman

Copy to J. Bruce Clemmer
DMA files
Allsman

PTA/el

April 29, 1951

Memorandum

To: F. T. Allman

Charles Andersen

From: [illegible] Field Team, Region IV

Subject: [illegible] 112, Ore Mining Corporation

We are forwarding you the brochure of the Ore Mining Corporation, DMA Docket 112, together with a copy of the letter from the Coordinating Committee.

Please arrange to have this report made as promptly as possible. You will note that both geology and engineering data, as well as operating costs, are needed.

Mr. Allman will forward the brochure to W. R. Brown after he has reviewed it.

F. T. Allman, Alternate

A. E. Engelmann

[illegible] of March 30 from Director, Supply Division through [illegible] Committee to Field Team

[illegible], Lieut., President of Ore Mining Corporation, [illegible]

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

REGIONAL DIRECTOR'S
OFFICE
REGION IV
APR 18 1951
BUREAU OF MINES
DENVER, COLORADO

March 30, 1951

Memorandum

To: Executive Officer, Field Team, Region IV
224 New Customhouse, Denver 2, Colorado

Through: Coordinating Committee

From: Director, Supply Division

Subject: Application of Oro Mining Corporation, Mr. Jack Licht, President, 254 Yucca Vine Building, Los Angeles 28, California. Docket No. DMA-112 Commodity: Copper.

Review of the subject docket indicates that the requested loan for $649,979 is mainly for the development and accelerated output of copper from an ore body, the reserves of which appear to us to be somewhat marginal as regards proven tonnage and methods and costs of mining.

If in your opinion the reserves are well enough established and the mining and milling costs conservatively estimated, we should be inclined to consider the application favorably. There would be no objection to including a normal amount of development work in the uses to be made of the loan fund. If on the contrary, the project depends largely on the successful development of considerable more tonnage, and this is in your opinion rather speculative, then the project ought to be regarded as exploratory, and we should be so informed. As the applicant would probably then apply for an exploration project, it would be well for your staff to investigate the subject sufficiently to advise on it later without further field study, and not recommend denial solely on the basis of inadequate reserves. In considering it as a possible exploration project, you can refer to the draft regulations and application forms furnished you during the recent meeting of Field Team members here.

Recorded production of the Yuma copper mine is about 8,000 tons of shipping ore, of which about 400 tons was oxidized.

The sulfide ore yielded on an average 1.7% copper and $1.00 plus in value of gold.

The reserves of measurable ore, to judge from records available to us, range from a thousand to possibly as much as 10,000 tons. Estimates of indicated and inferred sulfide ore are from 200,000 to 300,000 tons, with possibilities that the ore body may extend in depth beyond the known limits.

The proposal of the applicant is to develop the ore body further and erect a concentrating mill of 200 tons daily capacity. The proposed monthly output of copper is 150,000 pounds. The property is considered marginal by the applicant with a copper price of 22¢ per pound and therefore not attractive for private capital to take the entire risk.

In order to pay necessary royalties and other costs and to leave a margin of profit adequate to repay the loan, some feasible and economical method of mining the 50-70 foot thick ore body appears essential. The applicant has not presented convincing evidence that he has a solution to this problem.

The following points of the proposed plan need special consideration by a field team:

(1) The technical feasibility and method of mining 200 tons of ore daily at an estimated cost of $1.10 per ton (as in applicant's proposal) or at such cost as will permit justification of the operating loan.

(2) The claimed reserves of 300,000 tons indicated of 1.7% copper do not appear sufficiently assured to justify a loan in the amount of $649,979. This conclusion is reached in cognizance of a tentative estimate by a Bureau of Mines engineer (Report of May 25, 1945) which gives 10,000 tons measurable and 216,000 tons indicated of 1.8% grade.

(3) Careful consideration should be given to the actual need for a preliminary exploration to confirm the limits and grade of the ore body prior to approval of a production loan agreement. A minimum plan consistent with the safety of the investment appears desirable.

(4) Consideration should also be given to means for obtaining data that might be critical in determining a practicable mining method. If desirable, a plan should be integrated with any exploration considered necessary under Item (2).

(5) The need for some review of the geologic factors bearing on the possibilities of extension and continuity in grade of the known ore body and its physical characteristics appear sufficiently compelling to be an essential part of Items (3) and (4). In addition Geologic attention should be given to other croppings of mineralized lode said to occur on the property, which might be worthy of exploration to enhance the useful life of the proposed plant.

Any additional comments that the field team cares to make will be welcomed.

Material submitted by the applicant is transmitted herewith. Please return this with your report.

Tom Lyon, Director
Supply Division

Enclosures

DMA Coordinating Committee

Approved:

Tom Lyon
Chairman

Lowell B. Moon
Member, Bureau of Mines

T. P. Thayer
Member, Geological Survey

Copy to Executive Secretary
Copper Commodity Committee
F i l e s

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

March 30, 1951

Re: Docket No. DMA-112

Mr. L. Licht
President, Ore Mining
Corporation
254 Tucson Vine Building
Los Angeles 28, California

Dear Mr. Licht:

Your final application of March 1 for a loan for development of the Yuma copper mine and concentration of the ore has been reviewed by the Copper Branch. It was decided that certain features of the proposal needed further investigations that can best be carried on in the field and the matter has been referred to Mr. J. H. East, Jr., Executive Officer of the Defense Minerals Administration Field Team, Region IV, 224 New Customhouse, Denver 2, Colorado.

Mr. East will communicate directly with you and make arrangements for a field examination as promptly as the schedule permits.

Yours very truly

Tom Lyon, Director
Supply Division

WBurbank:ba

Copy to J. H. East, Jr., 224 New Customhouse, Denver 2, Colorado
Executive Secretary
Copper Commodity Committee
F i l e s

November 24, 1950

Mr. J. Licht, President
Oro Mining Corporation
Suite 254 Yucca-Vine Building
Hollywood 28, California

Dear Mr. Licht:

This will acknowledge your letter dated November 17, 1950 and enclosures of a report by J. S. Coupal on your Yuma copper mines at Vicksburg, Yuma County, Arizona.

The report is being submitted to our Washington office for consideration.

Very truly yours,

J. H. East, Jr.
Regional Director

CC: WR Storms

Sub. File
Chron. File

PTAllsman:ftm

Oro MINING CORPORATION

SUITE 254 YUCCA-VINE BUILDING · HOLLYWOOD 28, CALIFORNIA · PHONE HOLLYWOOD 9-6311

November 17th, 1950

REGIONAL DIRECTOR'S OFFICE
REGION IV
NOV 22 1950
BUREAU OF MINES
DENVER, COLORADO

pta

Mr. John H. East, Jr.
Director Region IV
United States Bureau of Mines
224 New Customhouse
Denver 2, Colorado

Subject: Yuma Copper Mines, Vicksburg, Yuma County
Arizona

Dear Sir:

The Oro Mining Corporation, a closed corporation, has recently acquired the holdings of the Yuma Copper Company.

Pending the establishing of procedure for presending applications, Mr. Joseph Hedges, Chief of Minerals Division, has indicated the type of factual data to present as a preliminary presentation, for consideration to obtain assistance under the Mine Aid program authorized by the Defense Production Act.

Attached you will please find such pertinent data as is available at this time. After reviewing this data, we would like your advice whether such a property would be entitled to consideration under the Act. The property, although presenting potentialities of substantial copper production is not of the type to attract private capital, and the exploitation of the property is dependent upon the availability of aid under the Defense Production Act. We would appreciate a preliminary opinion concerning the possibility of qualifying under the Act so that we may be justified in making a comprehensive sampling and testing of the property.

Unfortunately J.S.Coupal, a copy of whose report of May, 1950, is attached hereto, died shortly thereafter,

Subject: Yuma Copper Mines

however both of our engineers, L.C.Penhoel of Los Angeles and Mark C. Gemmill of Prescott,Arizona, have made a visual inspection of the workings and key sampling. They confirm the opinion of Mr. Coupal as to the present tonage of probable ore, the metal content and future possibilities of the mine. They feel, however, that economical exploitation of the mine would require a larger production than suggested by Mr. Coupal.

We are maintaining the mine free of water and the workings are open for examination.

Should additional data or information be required, we shall be glad to supply it.

Very truly yours,

ORO MINING CORPORATION

By Jack Licht
J. LICHT, President

JL/e
enclosures

Form 6-98

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

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

224 New Customhouse
Denver 2, Colorado

July 10, 1951

AIR MAIL

Memorandum

To: Landon Strobel, Executive Secretary, Defense Minerals Administration

From: Field Team, DMA, Region IV

Subject: DMA Docket 112, Ore Mining Corporation, Yuma County, Arizona

Attached herewith is report on the above docket. The report indicates that the ore is submarginal and we recommend that the loan be denied.

We are returning the brochure with this letter.

J. H. East, Jr.

A. H. Koschmann

Attachments
One copy by air mail
Two copies by regular mail

DEFENSE MATERIALS PROCUREMENT AGENCY
WASHINGTON 25, D. C.

Docket, Control Center

December 20, 1951

Tom Lyon, Director, Program Development Division

Application for a production loan of Ore Mining Corporation, DMA-112, Commodity-Copper

This application is to be withdrawn since the applicant no longer desires to continue with the project. The file will remain in this office for reference as another application is expected to be submitted by a new lessee of the property.

SIGNED

Tom Lyon, Director
Program Development Division

RVWaugh:ez
12/20/51

cc: Mr. Young
Mr. Feiss
Mr. Douglas
Field Team, Region IV
Mr. Lyon
Mr. Gowen
DMPA-Files

REGIONAL DIRECTOR'S OFFICE
REGION IV
DEC 29 1951
BUREAU OF MINES
DENVER, COLORADO

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

REGIONAL DIRECTOR'S OFFICE
REGION IV
APR 5 - 1951
BUREAU OF MINES
DENVER, COLORADO

DM

March 29, 1951

Re: Docket No. DMA-122 — 112
Oro Mining Corporation

Mr. Milton Wichner
Oro Mining Corporation
254 Yucca-Vine Building
6305 Yucca Street
Hollywood 28, California

Dear Mr. Wichner:

This acknowledges receipt of your letter of March 19, 1951 transmitting a loan application in the amount of $649,979 for the development, equipment and operation of the Yuma copper mine, Yuma County, Arizona. This application has been referred to the Copper Branch and will be reviewed as promptly as possible.

Very truly yours,

Tom Lyon

Tom Lyon, Chief
Copper Branch

CHJohnson:ba

Copy to J. H. East, 224 New Customhouse, Denver, Colorado
Executive Secretary
Copper Commodity Committee
F i l e s

JHE

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

March 29, 1951

Re: Docket No. DMA-122
Oro Mining Corporation

Mr. Milton Wichner
Oro Mining Corporation
254 Tucca-Vine Building
6305 Tucca Street
Hollywood 28, California

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Very truly yours,

Tom Lyon

Tom Lyon, Chief
Copper Branch

CHJohnson:ba

Copy to V. H. East, 224 New Customhouse, Denver, Colorado
Executive Secretary
Copper Commodity Committee
F i l e s

Milton Wichner
254 Yucca-Vine Building
6305 Yucca Street
Hollywood 23, California

March 19, 1951

Defense Minerals Administration
U. S. Department of Interior
Washington 25, D. C.

Attention: Tom Lyon, Assistant Chief, Copper

Re: Application of ORO MINING CORPORATION for Government Loan.

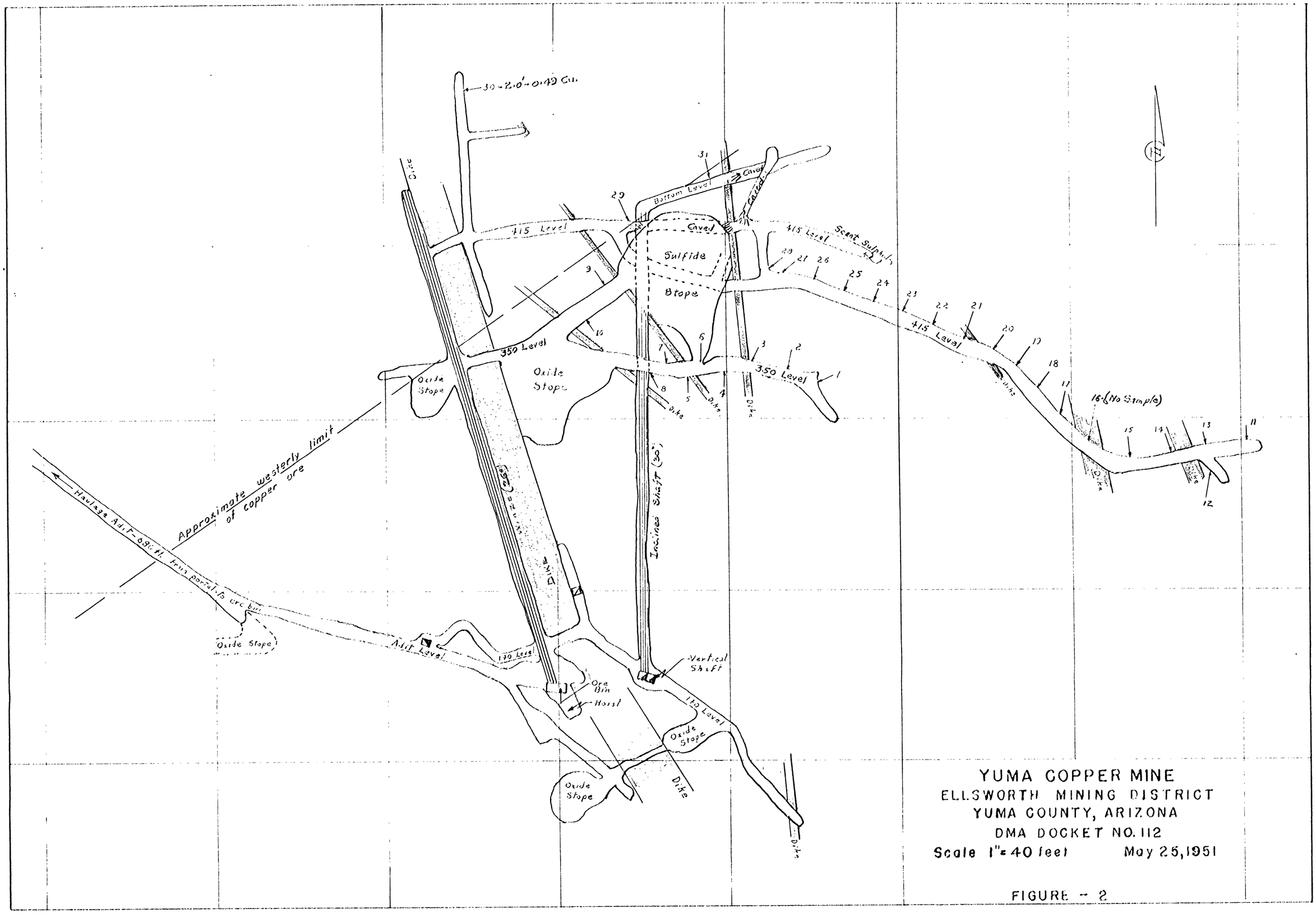
Gentlemen:

Enclosed herewith please find an application for Government loan under Section 302 of the Defense Production Act of 1950 in quadruplicate. This application is with reference to our preliminary statement of January 10, 1951 and your reply thereto dated January 29, 1951.

We have attempted to be as comprehensive as possible in our response to the questions on the application. However, if there is any further information or material you require we shall be happy to provide you with it, upon your request.

Very truly yours,

MILTON WICHNER
Counsel for
ORO MINING CORPORATION



YUMA COPPER MINE
ELLSWORTH MINING DISTRICT
YUMA COUNTY, ARIZONA
DMA DOCKET NO. 112
Scale 1" = 40 feet May 25, 1951

FIGURE - 2