FICE OF THE ADMINISTRATOR

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

DEPARTMENT OF THE INTERIOR
RECEIVED
DEC 4 1951
Defense Minerals Administration,
Production Expansion Division.

224 New Customhouse
Denver 2, Colorado

November 27, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: Cancellation of Application, DMA Docket 2062, MacKenzie, Prime and Johnson, Last Chance Tungsten Lode Claim, Grand Island Mining District, Boulder County, Colorado

Messrs. Prime and Johnson are no longer interested in their application for an exploration loan of $12,709, and Mr. MacKenzie cannot handle it alone.

We attach a copy of a letter from Mr. MacKenzie requesting cancellation of the application.

J. H. East, Jr.

A. H. Koschmann

Attachment

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
DEC 3 8 36 AM '51

COPY

2428 Bluff Street
Boulder, Colo.
Nov. 17 - 1951

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

Dear Sir

I regret not answering your letter sooner, however I did not know definitely that Mr. Prime & Mr. Johnson were no longer interested in the Last Chance lease.

At this time I cannot undertake to open the mine alone, so I think it advisable that you cancel my application, DMA docket No. 2062, for the loan.

I would also like to thank you for your letter and your interest in this matter.

Resp. yours

/s/ M. W. MacKenzie

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA-2062

Date received 9-10-51

Participation

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C. SEP 21 PM '51

M. W. MacKenzie
2428 Bluff St., Boulder, Colo.
George A. Prime
Nederland, Colo.
Ralph L. Johnson
Louisville, Colo.

Name and address of applicant

Date August 28, 1951

FILL IN THIS BLOCK

Date of application August 28, 1951

Estimated cost $12,709.00

Mineral or metal Tungsten

Percentage of Government participation ~~90%~~

Location of mine Grand Island Mining District
4 miles N.E. of Town of
Nederland, Colorado

Date of filing MF-100

DMA Docket Number, if available 2062

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation? Partnership

*2. If a partnership, state names and addresses of partners. See attached sheet.

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders. --

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. 15 years

*5. Are you the owner or the lessee of the property? lessee

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. --

7. If lessee, attach a copy of the lease and state if it is in good standing. copy attached

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. see attached sheet

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property. see attached sheet

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any. Last Chance Lode Claims

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads. see attached sheet

*13. State source and quantity of water available for operations and its sufficiency at all seasons. see attached sheet State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. see attached sheet

15. State in detail how the ore could be shipped and how and where milled. see attached sheet

*16. History: see attached sheet

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly. Average assay 7.28 WO3

(*b*) Submit available maps and assay data. 2000 ton 3% ore

(*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? Tungsten

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. see attached sheet

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data. not available

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows: see attached sheet

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings. none

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent. none

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent. see attached sheet

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

H. ac Kenzie Trim & Johnson (Name of company) By M. M. MacKenzie (Signature of authorized official)

August 28, 1951 (Date) Partner (Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

2. M. W. MacKenzie, 2428 Bluff Street, Boulder, Colorado
George A. Prime, Nederland, Colorado
Ralph L. Johnson, Louisville, Colorado

8. $2500.00 loss in current exploration work.

10 a. 200 Ft. shaft
500 ft drifts
b. Last Chance Lode Mining Claim, Survey Lot No. 19204
Grand Island Mining District

12. 4 miles good dirt road, N. E. of Town of Nederland, Colorado, shipping point.

13. Electric power from the Public Service Co. of Colorado, at a cost of 50¢ per hour.

14. Shaft house, Head Frame Hoist, 400 cu. ft. Chicago Pneumatic Air Compressor , 75 H.P. Motor, 100 H .P. Starting Compensator.

15. Ore to be shipped to Hetzer Mines, Inc., Mill at Nederland, Colo.

16. Shaft 200 ft.
Drift 200 ft. East with stoping to surface on 100 ft. level
Drift 280 ft. West through low grade ore shoot with no stoping
Ore too low grade to be mined at a profit at the time work was done

b. Adjoining properties are Western Star, Cold Spring' Forest Home, production unknown by us.

21. Unwater shft to 100 ft. level, 30 days
Clean and timber 150 ft. of existing drift, 60 days
Drive drift 100 ft, 45 days
Drive cross cut 80 ft. to parallel vein showing ore on surface,35 days

23 a. One miner @ $13.00 per shift
One mucker @ $13.00 per shift
One Hoistman @ $13.00 per shift
b. One foreman @ $400.00 per mo.

c. Repairs to existing facilities $150.00

e. Pump	$963.00
Electric cable.	150.00
Crossline Starter	100.00
3 inch pipe	100.00
2 " "	120.00
Drifting machine	
Column & Arm	
Hoses	850.00
Rails	200.00
2 tram cars	200.00
2 Mine buckets	160.00
Steel & bits	75.00
g. Rental on owned equipment	250.00

23. cont'd

h.	Small hand tools	$ 35.00
	Track spikes	20.00
	Fish plates	10.00
	Nails	32.00
	Pipe fittings	45.00
	muck sheets	40.00
i.	P ower installation	$200.00
	Oil & gas	45.00 per mo.
	powder, fuse & caps	600.00
	Timber	200.00

24. Project to be completed in six mo. after project is approved.