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U.S. v. ASARCO

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File Location: DOI - SOL, WASH DC

Document Date: 8/21/51

Document Title: RE: DMA-511

Document Author: TOM LYON APPLICATION for Federal Aid

Original Document Attached: Y (N)

If not attached, Original Document Current Location
(must be segregated from other documents)

Type of Privilege:

ACC WP (CBI) DP (PI) Other

Reviewer: C Pakuti

STATUTORY PRIVILEGE OF
CONFIDENTIAL BUSINESS &
PROPRIETARY INFO

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File Owner: N. EADES

File Location: DOI - SOL, WASH DC

Document Date: 6/22/51

Document Title: Re: Docket No. DMA-1511 - Request of Exploration Loan.

Document Author: Otto Herres.

Original Document Attached: Y (N)

If not attached, Original Document Current Location
(must be segregated from other documents)

Type of Privilege:

ACC WP (CBI) DP (PI) Other

Reviewer: C. PALUTI

STATUTORY PRIVILEGE OF CONFIDENTIAL BUSINESS & PROPRIETARY INFO

AUG 27 1951

Re: 8/7
2 pages

Mr. J. D. Beebe
8221 Middlepointe
Detroit 4, Michigan

Dear Mr. Beebe:

In our letter to you of June 22, signed by Otto Herres, it was pointed out that part of your application (DMA-1511), for Federal aid to explore and develop the G. A. Mining group, Coeur d'Alene district, Idaho, 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 June 22 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 Ryon, Director
Supply Division

FJLee:gt
G 8/21/51
Copies to: AEWeissenborn

Airmail

June 22, 1951

Re: Docket DMA-1511

Mr. J. D. Beebe
8221 Middlepointe
Detroit 4, Michigan

Dear Mr. Beebe:

We have received your letter of May 29 with the accompanying request of an exploration loan from the Defense Minerals Administration.

A direct loan of the full amount needed for a mining operation can be made only where the applicant has sufficient proven ore to mortgage the loan. When the funds are needed for exploration as in your case, it is necessary for the applicant to participate in the exploration expenses, to the extent of 50% in the case of lead and zinc exploration. Funds advanced by the Government will be considered a loan, to be repaid if the exploration is profitable, but to be canceled if unsuccessful. The explanation of the plan and the forms DF-103, for making application, are enclosed. If you should care to apply for this form of Federal aid, we will be glad to consider your application. Your application should be specific concerning the work you wish to undertake, and should indicate your willingness to provide your share of the funds needed to carry out the proposed exploration.

Although the law under which exploration aid is available to mining operators expires June 30, there is a reasonable hope that at least phases of it, including the exploration program, will be renewed by the Congress so that an application could be considered if received from you.

Very truly yours,

Otto Herres

Otto Herres, Chief
Lead-Zinc Branch

ETMcKNIGHT:emp
G 6/22/51
Copies to:
A. E. Weissenborn
Region II (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
L. F. Strobel
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

Enclosures