DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 1730

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

loan

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To:	Supply Division	Date	AUG 31 1951
To:	REPORTS AND RECORDS	Date	SEP 1951
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

DMA Form 2

DEFENSE MINERALS ADMINISTRATION
Status Change Notice

DMA Docket No. 1730-1

Clarence Barrett

To: Reports and Records Branch

From: LEAD ZINC BRANCH

Date: JUL 6 1951

The following action has been taken this date on the above Controlled Document.

Forwarded to

Type of request changed to:

Denied ☐ Withdrawn ☐

Approved in amount of $

Other action, specify:

On hand

FILE COPY
SURNAME: 350

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

SEP 4 1951

Re: DMA 1730X

Clarence Barrett
Mosell, East Side No. 2
and Blue
Diamond Claims, New Mexico
$50,000
Lead

a. E. C —

Memorandum

To: Reports and Records Unit
Administrative Management Division

From: Lead-Zinc Branch

Subject: Denial of request for loan

On July 19 in a letter signed by Tom Lyon, the applicant was informed that the type of assistance he asked for could not be granted under the exploration program. Forms MF-100 and MF 102 were enclosed so that the applicant could apply for a direct loan.

On August 27 an application for a direct loan was received and was given, the docket number was DMA-2007. It is recommended that the docket DMA-1730X be closed. No letter is necessary for the applicant as the letter of July 19 covered the action taken.

Returned herewith are two copies of MF-103 and a letter dated June 20, 1951.

T. P. Billings, Chief
Lead-Zinc Branch

Approved

Tom Lyon
Director, Supply Division

FJLee:bc
G 8/30/51

Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Branch
E. T. McKnight
R. H. Mote
Director's Reading 4214 GSA
Br. r. file 4214 GSA
Files

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

SEP 4 1951

Re: DMA 1730X

Clarence Barrett
Mozell, East Side No. 2
and Blue
Diamond Claims, New Mexico
$50,000
Lead

A. E. C.

Memorandum

To: Reports and Records Unit
Administrative Management Division

From: Lead-Zinc Branch

Subject: Denial of request for loan

On July 19 in a letter signed by Tom Lyon, the applicant was informed that the type of assistance he asked for could not be granted under the exploration program. Forms MF-100 and MF 102 were enclosed so that the applicant could apply for a direct loan.

On August 27 an application for a direct loan was received and was given, the docket number was DMA-2007. It is recommended that the docket DMA-1730X be closed. No letter is necessary for the applicant as the letter of July 19 covered the action taken.

Returned herewith are two copies of MF-103 and a letter dated June 20, 1951.

T. P. Billings
T. P. Billings, Chief
Lead-Zinc Branch

Approved
Tom Lyon
Director, Supply Division

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

July 31, 1951

DMA-1730

Q.E.C.

Mr. Clarence Barrett
320 North Sixth Street
Socorro, New Mexico

Dear Mr. Barrett:

Your reply to my letter of July 17 has just been received.

The contents of your letter have been noted and as expressed to you in my previous letter we are doing everything possible to expedite the processing of the exploration applications.

I dont believe that it is necessary for you to come to Washington with a view of hastening our action here. You can be assured we will give your application every attention and, as requested, keep you advised.

Yours very truly,

T. P. Billings, Chief
Lead-Zinc Branch

TPBILLINGS:ks

cc: Reports & Records
Mote
McKnight
Billings
Files

FILE COPY
SURNAME:

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

Billings
OILeta-
(Fin note
McKnight)

July 31, 1952

DMA-1730

a. E. C.

Mr. Clarence Barrett
320 North Fifth Street
Socorro, New Mexico

Dear Mr. Barrett:

Your reply to my letter of July 17 has just been received.

The contents of your letter have been noted and as expressed to you in my previous letter we are doing everything possible to expedite the processing of the exploration applications.

I dont believe that it is necessary for you to come to Washington with a view of hastening our action here. You can be assured we will give your application every attention and, as requested, keep you advised.

Yours very truly,

T. P. Billings, Chief
Lead-Zinc Branch

TPBILLINGS:ks

cc: Reports & Records
Note
McKnight
Billings
Files- D.M.a docket

Billings

350

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

July 17, 1951

DMA-1730X

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 2 6 1951
LANDON F. STROBEL
Executive Secretary

Mr. Clarence Barrett
320 North Sixth Street
Socorro, New Mexico

Dear Mr. Barrett:

Your letter of July 13 to Mr. Otto Herres relative to the status of your application DMA-1730X has been referred to me for reply. This is to advise that Mr. Herres is no longer with the Defense Minerals Administration.

Inasmuch as your application was received by the Lead-Zinc Branch of DMA only two weeks ago and there are many similar projects under consideration, we are unable at this time to advise the approximate date of a decision with regard to docket DMA-1730X.

Yours very truly,

T. P. Billings

T. P. Billings, Chief
Lead-Zinc Branch

Dear Mr. Billings:

We thank you very kindly for this letter. But as to the two weeks you speak of above, if it makes any difference, we have a letter from Mr. Landon F. Strobel of June 28, saying that our application was turned over to the Lead-Zinc Branch on June 26, which of course, was four days before the expiration date of June 30.

Do you think there is any chance I could come to Washington and get this through any quicker.

We assure you that we appreciate the above letter and whatever information you can give us. Or phone us collect. 182-w

Yours truly,

Clarence Barrett

CB/lmb

JUL 30 1951

FILE COPY
SURNAME:

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

McKnight
Billingsley
O'Leary
(For Note)

July 19, 1951

Re: Docket DMA-1730X

Mr. Clarence Barrett
320 North 6th Street
Socorro, New Mexico

Dear Mr. Barrett:

Your application for an exploration loan to work your four claims in the Hansonburg Mining District has been reviewed by the Defense Minerals Administration.

The work that you propose includes such items as building ore bins, ore chutes, grisley, and other items preparatory to mining, and you are requesting funds for a large primary crusher and for mining equipment. You state that when this preparatory work is done for which you are requesting Federal assistance, the property will be ready for actual production.

If you have a sufficient tonnage of proven lead ore and can meet certain requirements as to collateral for a loan, you should be eligible for a direct mining loan from the Reconstruction Finance Corporation in the full amount needed. The application should be made to the Defense Minerals Administration on Forms MF-100 and MF-102, copies of which are enclosed. The Defense Minerals Administration will make any field examinations that may be needed and will recommend action by the Reconstruction Finance Corporation if we believe that the loan should be approved. As certain additional information is needed beyond that given on the exploration form previously submitted by you, it will be necessary to apply on the new forms.

I regret that the type of assistance you are asking cannot be granted under the exploration program, as outlined in the enclosed regulations governing Government aid in defense exploration projects (MO-5). The Purpose of exploration loans is to find new ore in case not enough ore is proven to sustain a mining operation. Limitation of this type of loan to exploration rather than to mining or preparation for mining is explained in section 8(a) of the attached MO-5.

If you have the reserves that will justify the mining loan that you need, we will be glad to consider an application from you.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

ETMCKNIGHT:emp
G 7-19-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
Reports & Records
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

FILE COPY
SURNAME:

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

July 17, 1951

McKnight
O'Leary
(For Note)

DMA-1730X

Mr. Clarence Barrett
320 North Sixth Street
Socorro, New Mexico

Dear Mr. Barrett:

Your letter of July 13 to Mr. Otto Herres relative to the status of your application DMA-1730X has been referred to me for reply. This is to advise that Mr. Herres is no longer with the Defense Minerals Administration.

Inasmuch as your application was received by the Lead-Zinc Branch of DMA only two weeks ago and there are many similar projects under consideration, we are unable at this time to advise the approximate date of a decision with regard to docket DMA-1730X.

Yours very truly,

T. P. Billings, Chief
Lead-Zinc Branch

TPBILLINGS:ks

cc: Reports & Records
Mote
McKnight
Billings
Files

Herres
Air Mail

Socorro, New Mexico
July 13, 1951

DEFENSE MINERALS ADMINISTRATION
RECEIVED
JUL 16 1951
LANDON F. STROBEL
Executive Secretary

United States Department of the Interior
Defense Minerals Administration
Mr. Otto Herres
Chief Lead-Zinc Branch
Washington 25, D. C.

Dear Mr. Herres:

In reference to my application for Loan identified as DMA-1730X.

Would you kindly give me just a rough idea how long it will probably take to process this loan. Or what procedure will be taken.

Thanking you very much for this information.

Yours truly,

Clarence Barrett

CB/lb

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-1730X

Date received 6/25/51

Participation

Clarence Barrett
320 North Sixth Street
Socorro, New Mexico

Name and address of applicant

Date June 19, 1951

FILL IN THIS BLOCK

Date of application June 19, 1951

Estimated cost $50,000.00

Mineral or metal lead

Percentage of Government participation

Location of mine S½ Sec. 6., T. 6S., R. 5E.,

Hansonburg Min. Dist., Socorro County, N. Mex.

Date of filing MF-100 June 19, 1951

DMA Docket Number, if available

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? Individual

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

*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. See Note 1

*5. Are you the owner or the lessee of the property? (unpatented mining claims) Owner

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. None

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

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 Note 2

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)? See Note 3

*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 Note 4

(*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. See Note 5

*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 Note 6

*13. State source and quantity of water available for operations and its sufficiency at all seasons. See Note 7
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 Note 8

15. State in detail how the ore could be shipped and how and where milled. See Note 9

*16. History: See Note 10

(*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. See summary

*17. Production: Not applicable

(*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.) Not applicable

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*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? See Note 11

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. See Note 12

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. See summary

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 Note 13

(*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.

(*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.

(*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 Note 14

CERTIFICATION

The undersigned individual ~~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.

(Name of company)	By Clarence Barrett (Signature of authorized official)
(Date)	Owner (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

Note 1 (Question 4)

The applicant is also the person who will manage the project. Applicant has been self employed for approximately the past twenty years and has been engaged in the construction business during all of such time. The principal phase of such construction business in which applicant has been so engaged has been the erection and construction of residence and business buildings for sale to others. During approximately the past eleven years applicant has also been actively engaged in the mining business and has developed two successful mining properties. One of these is the Portales Company in the Hansonburg Mining District in Socorro County, New Mexico, from which there has been shipped approximately One Million Dollars worth of ore and which is now steadily producing. Applicant recently sold his interest in this mine. The other successful project referred to is the Mocking Bird Mine, also in New Mexico. This mine was closed due to the fact that it is in the White Sands Bombing Range near Alamogordo, New Mexico, but prior to the installation of the bombing range was a producing property. It is submitted that applicant's general business experience, together with his actual mining experience over the period of years, well qualifies him to undertake a project of this nature, especially since the contemplated project is in so many ways similar to the two mining projects above mentioned.

Note 2 (Question 8)

Note: The following current financial statement is a statement of the applicant's finances as an individual and is not a statement of the proposed project which is not yet a going concern. A profit and loss statement is not immediately available and leave is requested to submit this at a later date.

ASSETS

Cash on hand	$ 1,500.00
Notes receivable (none considered doubtful)	13,000.00
Materials and supplies on hand	4,500.00
Real Estate	75,000.00
Buildings and improvements	65,000.00
Machinery	27,500.00
Furnishings, equipment, fixtures, etc.	18,000.00
Real estate used for other than business purposes	15,000.00
Personal assets not used in business	3,000.00
Total assets	$ 221,500.00

Note: Applicant's net income from business is approximately $1,000.00 per month, exclusive of any salary he might allow himself. This represents present, not past, income.

LIABILITIES

Unsecured notes payable	$ 6,000.00	
Accounts payable (current)	200.00	
Wages and salaries (current)	150.00	
Mortgage debts	15,000.00	
Reserve for inventory losses and depreciation	7,500.00	
Total liabilities		28,850.00
Net worth		$ 193,650.00

Note 3 (Question 9)

Applicant submits this application on the basis of fifty percent Government aid, applicant's investment thus to be $25,000.00, the total project estimated cost being $50,000.00. Applicant is prepared to invest such amount and more if necessary. This is sufficient to pay his part of the estimated cost of the project.

Note 4 (Question 10)

(a) The Mozell, East Side No. 1, East Side No. 2, and Blue Diamond Lode Mining Claims (All unpatented) located in the South One Half of Section 6, Township 6 South of Range 5 East, N. M. P. M., in the Hansonburg Mining District, Socorro County, New Mexico. These claims lie mostly in the Southwest Quarter of said Section 6.

(b) Work is expected to be done on all claims, but the major portion of the work will be done, and the major portion of the money will be spent, on the Mozell claim.

Note 5 (Question 11)

The names Mozell, East Side No. 1, East Side No. 2, and Blue Diamond are the names under which location was made, and as far as applicant knows, are the only names ever used to identify such claims.

Note 6 (Question 12)

The property is located approximately 37 miles East and slightly South of San Antonio, Socorro County, New Mexico, and approximately 6½ miles South of Bingham, Socorro County, New Mexico. San Antonio is the nearest railroad shipping point and Bingham is the nearest Post Office. Both towns are on paved highways, Bingham being on U. S. Highway No. 380, and San Antonio being on U. S. Highways Nos. 380 and 85. The road from Bingham to the property is partially topped and in fair condition for about 5 miles and the last 1½ miles

is just passable and is in poor condition. A part of the proposed project is construction of this unfinished stretch of road.

Note 7 (Question 13)

Water: Water sufficient for ordinary mining purposes does not present a great problem. Water can be readily hauled from wells located about six miles from the property and water can also be obtained from dammed up creeks and drains on the property. In the event a mill is installed (the installation of which is not contemplated in the proposed project at this time) wells would have to be drilled to obtain an adequate source of water supply.

Power: Power can now be generated by diesel and gasoline engines upon the property. The Rural Electrification Administration has, however, assured applicant that it will be in a position to furnish power to applicant within approximately sixty days. The tentative minimum charge is $100.00 per month, and it is not estimated that the monthly consumption will ordinarily exceed such minimum unless a mill is operated. The following is the schedule of REA rates applicable at this time:

First 50 KWH	7 cents per KWH
Next 150 KWH	6 cents per KWH
Next 300 KWH	5 cents per KWH
Next 600 KWH	4 cents per KWH
Next 1000 KWH	3 cents per KWH
Over 2000 KWH	2 cents per KWH

Note 8 (Question 14)

There is approximately two miles of recently constructed winding mountain road leading to the property and applicant has the following machinery and equipment to be used in the project:

1 D-50 Diesel Caterpiller type bulldozer
1 160 cu. lb. LeRoy compressor
1 105 cu. lb. Ingersoll-Rand compressor
1 A D Clestrack leader and shovel
2 1947 model 7 ton capacity Chevrolet dump trucks
1 1946 model 7 ton capacity G. M. C. dump truck
1 1947 model 7 ton capacity Ford dump truck
miscellaneous hammer drills, cables, hand tools, etc.

Note 9 (Question 15)

The ore could readily be transported by truck from the property to San Antonio, New Mexico, and from there by rail to the smelter at El Paso, Texas. There is also a mill at San Antonio, New Mexico, and the ore could be trucked to this mill and the concentrates shipped to the smelter at El Paso by rail or truck.

Note 10 (Question 16)

(a) As yet there has been no operation of the property and no extensive development. The ore is in view on a large face and there is little overburden. Work has been done on building a road into the property and in location and assessment work. The vein upon the property is an extension of the vein running through the properties of the Max-Tex and Portales holdings, both of which mines are now producing.

(b) The Max-Tex Holdings, the Portales holdings, and the holdings of applicant are all in a line on the same major lead ore vein. The Max-Tex property has been in production for about one year and is producing regularly. The Portales group has been in production for about three years and there has been shipped from this group something like One Million Dollars worth of ore with no shut-downs or cessation of work of any importance. The problem of the removal of over-burden on applicant's holdings is less than it is on the other two properties named and the ore is well exposed.

Note 11 (Question 20)

The principal known ore on the property is lead with some silver. There appears, however, some possibility of uranium, but the project at this time will be confined largely to lead ore.

Note 12 (Question 21)

Applicant proposes to complete the road onto the property, clear a bin site and erect the necessary ore bins thereon, and to build and install necessary ore chutes, a grisley, and a large primary crusher. It will be necessary to purchase certain items of equipment including the primary crusher and equipment therefor, a wagon drill and the stell and air equipment for the same, steel cable, and some other smaller items of equipment. With the addition of such equipment to the equipment applicant already has, and the completion of the road, installation of the ore bins, chutes, etc., the property will be ready to produce. It is estimated that approximately ninety days will be required to complete the project and put the property into actual production.

Note 13 (Question 23)

(a) Labor:

2 drillers @ $ 1.75 hr.	2,234.00
1 caterpillar operator @ $ 2.25 hr.	1,440.00
1 shovel operator @ $ 2.25 hr.	1,440.00
1 crusher operator @ $ 1.25 hr.	67.00
3 grisley operators @ $ 1.25 hr.	200.00

4 truck drivers @ $ 1.50 hr.	$ 960.00
1 powder man @ $ 1.75 hr.	1,120.00
4 carpenters @ $2.25 hr.	2,880.00

(b) Supervisor:

1 general superintendent @ $ 125.00 wk.	1,500.00

(c) Repairs, etc.:

None

(d) Installation and construction:

Installing bins, chute, etc.	7,500.00

(e) Equipment cost:

Crusher and equipment, wagon drill and steel and air equipment, cable, etc.	14,500.00

(f) Rental for equipment not owned by applicant:

None

(g) Rental value of applicant's equipment:

Items listed in Note 8	15,600.00

(h) Material and supplies:

Oil, gasoline, diesel fuel, powder and miscellaneous items for operating machinery	4,666.00

(i) Power, water, etc.

Included in (h)

<u>Note 14</u> (Question 34)

It is estimated that the total project will take approximately ninety days. The various items of machinery and equipment to be purchased should all be secured within two weeks from the commencement of the project and payment therefor made within that time. The cost of labor will be fairly constant during the entire time of the project, and it is estimated that with

the equipment purchased during the first two or three weeks of the operation of the project, approximately 60% of the entire cost of the project will be expended during the first thirty days of the construction of the project. The remaining 40% of the cost will be divided rather evenly over the remaining estimated time for the completion of the project. It is anticipated that the proposed road and bin site should be completed within approximately two weeks from the commencement of the project and that installation of the bins, chutes, machinery and equipment can be commenced at the expiration of that time.

Summary

The project contemplates the preparing of the property for actual mining by the construction and installation of necessary facilities for the purpose. At this time applicant is not in a position to furnish the information requested in questions 16 (c) and 22 with reference to reports, maps, etc., for the reason that, due to the peculiar circumstances of the property itself, these have not been obtained. As has been stated above, the ore vein running through this property is exposed and there is remarkably little over-burden. This vein is the same vein traversing the Portales and Max-Tex properties, mentioned above, and applicant was familiar with it because of his connection with the Portales group. If it is deemed necessary, applicant will have such assays and reports made as shall appear proper upon receipt of request for the same.

It is to be noted that the estimated cost of the project slightly exceeds the sum of $50,000.00, and applicant is prepared to take care of the payment of this excess personally, the request for Government aid being presently limited to 50% of the sum of $50,000.00.

This application is submitted in its present form upon the advice of Mr. J. H. Mast, Jr., Regional Director of the Bureau of Mines, Region IV, Denver, Colorado, who has urged applicant to file this application at the earliest possible date. Applicant will gladly furnish any additional or supplemental information promptly upon receipt of a request for the same.

FILE COPY
SURNAME:

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

June 28, 1951

Mr. Clarence Barrett
320 North Sixth Street
Socorro, New Mexico

Subject: DMA-1730X
Re: Exploration Loan - Mex-Tex Holdings, Portales Holdings

My dear Mr. Barrett:

Receipt is acknowledged of your application and attachments of June 19, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1730X and referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on June 26, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1730X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel jc
Executive Secretary

L. F. Strobel:jc
cc: Strobel
File
Herres
Lyon

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. 1730X

Date received 6/25/51

Participation

Clarence Barrett
320 North Sixth Street
Socorro, New Mexico

Name and address of applicant

Date June 19, 1951

FILL IN THIS BLOCK

Date of application June 19, 1951

Estimated cost $50,000.00

Mineral or metal lead

Percentage of Government participation

Location of mine S½ Sec. 6., T. 6S., R. 5E.,

Hansonburg Min. Dist., Socorro County, N. Mex.

Date of filing MF-100 June 19, 1951

DMA Docket Number, if available

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? Individual

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

*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. See Note 1

*5. Are you the owner or the lessee of the property? (unpatented mining claims) Owner

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. None

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

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 Note 2

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)? See Note 3

*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 Note 4

(*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. See Note 5

*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 Note 6

*13. State source and quantity of water available for operations and its sufficiency at all seasons. See Note 7
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 Note 8

15. State in detail how the ore could be shipped and how and where milled. See Note 9

*16. History: See Note 10

(*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. See summary

*17. Production: Not applicable

(*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.) Not applicable

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*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? See Note 11

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. See Note 12

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. Se e summary

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 Note 13

(*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.

(*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.

(*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. Se e Note 14

CERTIFICATION

The undersigned individual ~~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.

(Name of company)	By Clarence Barrett (Signature of authorized official)
(Date)	Owner. (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

Note 1 (Question 4)

The applicant is also the person who will manage the project. Applicant has been self employed for approximately the past twenty years and has been engaged in the construction business during all of such time. The principal phase of such construction business in which applicant has been so engaged has been the erection and construction of residence and business buildings for sale to others. During approximately the past eleven years applicant has also been actively engaged in the mining business and has developed two successful mining properties. One of these is the Portales Company in the Hansonburg Mining District in Socorro County, New Mexico, from which there has been shipped approximately One Million Dollars worth of ore and which is now steadily producing. Applicant recently sold his interest in this mine. The other successful project referred to is the Mocking Bird Mine, also in New Mexico. This mine was closed due to the fact that it is in the White Sands Bombing Range near Alamogordo, New Mexico, but prior to the installation of the bombing range was a producing property. It is submitted that applicant's general business experience, together with his actual mining experience over the period of years, well qualifies him to undertake a project of this nature, especially since the contemplated project is in so many ways similar to the two mining projects above mentioned.

Note 2 (Question 8)

Note: The following current financial statement is a statement of the applicant's finances as an individual and is not a statement of the proposed project which is not yet a going concern. A profit and loss statement is not immediately available and leave is requested to submit this at a later date.

ASSETS

Cash on hand	$ 1,500.00
Notes receivable (none considered doubtful)	12,000.00
Materials and supplies on hand	4,500.00
Real Estate	75,000.00
Buildings and improvements	65,000.00
Machinery	27,500.00
Furnishings, equipment, fixtures, etc.	18,000.00
Real estate used for other than business purposes	15,000.00
Personal assets not used in business	3,000.00
Total assets	$ 221,500.00

Note: Applicant's net income from business is approximately $1,000.00 per month, exclusive of any salary he might allow himself. This represents present, not past, income.

LIABILITIES

Unsecured notes payable	$ 6,000.00	
Accounts payable (current)	200.00	
Wages and salaries (current)	150.00	
Mortgage debts	15,000.00	
Reserve for inventory losses and depreciation	7,500.00	
Total liabilities		$ 28,850.00
Net worth		$ 192,650.00

Note 3 (Question 9)

Applicant submits this application on the basis of fifty percent Government aid, applicant's investment thus to be $25,000.00, the total project estimated cost being $50,000.00. Applicant is prepared to invest such amount and more if necessary. This is sufficient to pay his part of the estimated cost of the project.

Note 4 (Question 10)

(a) The Mozell, East Side No. 1, East Side No. 2, and Blue Diamond Lode Mining Claims (All unpatented) located in the South One Half of Section 6, Township 6 South of Range 5 East, N. M. P. M., in the Hansonburg Mining District, Socorro County, New Mexico. These claims lie mostly in the Southwest Quarter of said Section 6.

(b) Work is expected to be done on all claims, but the major portion of the work will be done, and the major portion of the money will be spent, on the Mozell claim.

Note 5 (Question 11)

The names Mozell, East Side No. 1, East Side No. 2, and Blue Diamond are the names under which location was made, and as far as applicant knows, are the only names ever used to identify such claims.

Note 6 (Question 12)

The property is located approximately 37 miles East and slightly South of San Antonio, Socorro County, New Mexico, and approximately 6½ miles South of Bingham, Socorro County, New Mexico. San Antonio is the nearest railroad shipping point and Bingham is the nearest Post Office. Both towns are on paved highways, Bingham being on U. S. Highway No. 380, and San Antonio being on U. S. Highways Nos. 380 and 85. The road from Bingham to the property is partially topped and in fair condition for about 5 miles and the last 1½ miles

is just passable and is in poor condition. A part of the proposed project is construction of this unfinished stretch of road.

Note 7 (Question 13)

Water: Water sufficient for ordinary mining purposes does not present a great problem. Water can be readily hauled from wells located about six miles from the property and water can also be obtained from dammed up creeks and drains on the property. In the event a mill is installed (the installation of which is not contemplated in the proposed project at this time) wells would have to be drilled to obtain an adequate source of water supply.

Power: Power can now be generated by diesel and gasoline engines upon the property. The Rural Electrification Administration has, however, assured applicant that it will be in a position to furnish power to applicant within approximately sixty days. The tentative minimum charge is $100.00 per month, and it is not estimated that the monthly consumption will ordinarily exceed such minimum unless a mill is operated. The following is the schedule of REA rates applicable at this time:

First 50 KWH	7 cents per KWH
Next 150 KWH	6 cents per KWH
Next 300 KWH	5 cents per KWH
Next 600 KWH	4 cents per KWH
Next 1000 KWH	3 cents per KWH
Over 2000 KWH	2 cents per KWH

Note 8 (Question 14)

There is approximately two miles of recently constructed winding mountain road leading to the property and applicant has the following machinery and equipment to be used in the project:

1 D-50 Diesel Caterpiller type bulldozer
1 160 cu. lb. LeRoy compressor
1 105 cu. lb. Ingersoll-Rand compressor
1 A D Cleetrack loader and shovel
2 1947 model 7 ton capacity Chevrolet dump trucks
1 1946 model 7 ton capacity G. M. C. dump truck
1 1947 model 7 ton capacity Ford dump truck
miscellaneous hammer drills, cables, hand tools, etc.

Note 9 (Question 15)

The ore could readily be transported by truck from the property to San Antonio, New Mexico, and from there by rail to the smelter at El Paso, Texas. There is also a mill at San Antonio, New Mexico, and the ore could be trucked to this mill and the concentrates shipped to the smelter at El Paso by rail or truck.

Note 10 (Question 16)

(a) As yet there has been no operation of the property and no extensive development. The ore is in view on a large face and there is little overburden. Work has been done on building a road into the property and in location and assessment work. The vein upon the property is an extension of the vein running through the properties of the Mex-Tex and Portales holdings, both of which mines are now producing.

(b) The Mex-Tex Holdings, the Portales holdings, and the holdings of applicant are all in a line on the same major lead ore vein. The Mex-Tex property has been in production for about one year and is producing regularly. The Portales group has been in production for about three years and there has been shipped from this group something like One Million Dollars worth of ore with no shut-downs or cessation of work of any importance. The problem of the removal of over-burden on applicant's holdings is less than it is on the other two properties named and the ore is well exposed.

Note 11 (Question 20)

The principal known ore on the property is lead with some silver. There appears, however, some possibility of uranium, but the project at this time will be confined largely to lead ore.

Note 12 (Question 21)

Applicant proposes to complete the road onto the property, clear a bin site and erect the necessary ore bins thereon, and to build and install necessary ore chutes, a grisley, and a large primary crusher. It will be necessary to purchase certain items of equipment including the primary crusher and equipment therefor, a wagon drill and the stell and air equipment for the same, steel cable, and some other smaller items of equipment. With the addition of such equipment to the equipment applicant already has, and the completion of the road, installation of the ore bins, chutes, etc., the property will be ready to produce. It is estimated that approximately ninety days will be required to complete the project and put the property into actual production.

Note 13 (Question 23)

(a) Labor:

2 drillers @ $ 1.75 hr.	2,324.00
1 caterpillar operator @ $ 2.25 hr.	1,440.00
1 shovel operator @ $ 2.25 hr.	1,440.00
1 crusher operator @ $ 1.25 hr.	87.00
3 grisley operators @ $ 1.25 hr.	300.00

4 truck drivers @ $ 1.50 hr.	$ 960.00
1 powder man @ $ 1.75 hr.	1,120.00
4 carpenters @ $2.25 hr.	2,880.00

(b) Supervisor:

1 general superintendent @ $ 125.00 wk.	1,500.00

(c) Repairs, etc.:

None

(d) Installation and construction:

Installing bins, chute, etc.	7,500.00

(e) Equipment cost:

Crusher and equipment, wagon drill and steel and air equipment, cable, etc.	14,500.00

(f) Rental for equipment not owned by applicant:

None

(g) Rental value of applicant's equipment:

Items listed in Note 8	15,600.00

(h) Material and supplies:

Oil, gasoline, diesel fuel, powder and miscellaneous items for operating machinery	4,666.00

(i) Power, water, etc.

Included in (h)

<u>Note 14</u> (Question 24)

It is estimated that the total project will take approximately ninety days. The various items of machinery and equipment to be purchased should all be secured within two weeks from the commencement of the project and payment therefor made within that time. The cost of labor will be fairly constant during the entire time of the project, and it is estimated that with

the equipment purchased during the first two or three weeks of the operation of the project, approximately 60% of the entire cost of the project will be expended during the first thirty days of the construction of the project. The remaining 40% of the cost will be divided rather evenly over the remaining estimated time for the completion of the project. It is anticipated that the proposed road and bin site should be completed within approximately two weeks from the commencement of the project and that installation of the bins, chutes, machinery and equipment can be commenced at the expiration of that time.

Summary

The project contemplates the preparing of the property for actual mining by the construction and installation of necessary facilities for the purpose. At this time applicant is not in a position to furnish the information requested in questions 16 (c) and 22 with reference to reports, maps, etc., for the reason that, due to the peculiar circumstances of the property itself, these have not been obtained. As has been stated above, the ore vein running through this property is exposed and there is remarkably little over-burden. This vein is the same vein traversing the Portales and Mex-Tex properties, mentioned above, and applicant was familiar with it because of his connection with the Portales group. If it is deemed necessary, applicant will have such assays and reports made as shall appear proper upon receipt of request for the same.

It is to be noted that the estimated cost of the project slightly exceeds the sum of $50,000.00, and applicant is prepared to take care of the payment of this excess personally, the request for Government aid being presently limited to 50% of the sum of $50,000.00.

This application is submitted in its present form upon the advice of Mr. J. H. Mast, Jr., Regional Director of the Bureau of Mines, Region IV, Denver, Colorado, who has urged applicant to file this application at the earliest possible date. Applicant will gladly furnish any additional or supplemental information promptly upon receipt of a request for the same.

GARNETT R. BURKS
ATTORNEY AT LAW
SOCORRO, NEW MEXICO

Dma-1730X

June 20, 1951

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

Attn: Mr. Otto Herres, Chief
Lead-Zinc Branch

Dear Sir:

Enclosed please find Form MF-103, submitted by Clarence Barrett, 320 North Sixth Street, Socorro, New Mexico, in quadruplicate.

Correspondence in this connection should be addressed directly to Mr. Barrett at the above address.

I thank you for your telegram in reply to my night letter of June 14, 1951. Your prompt attention was greatly appreciated by both Mr. Barrett and myself.

Very truly yours,

Garnett R. Burks

GRB/s
Encl. 1

JUN 27 1951

5

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-1730 X

Date received 6/25/51

Participation

Clarence Barrett
320 North Sixth Street
Socorro, New Mexico

Name and address of applicant

Date June 19, 1951

FILL IN THIS BLOCK

Date of application June 19, 1951

Estimated cost $50,000.00

Mineral or metal lead

Percentage of Government participation

Location of mine S½ Sec. 6., T. 6S., R. 5E.,

Hansonburg Min. Dist., Socorro County, N. Me x.

Date of filing MF-100 June 19, 1951

DMA Docket Number, if available

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? Individual

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

*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. See Note 1

*5. Are you the owner or the lessee of the property? (unpatented mining claims) Owner

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. None

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

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 Note 2

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)? See Note 3

*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 Note 4

(*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. See Note 5

*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 Note 6

*13. State source and quantity of water available for operations and its sufficiency at all seasons. See Note 7
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 Note 8

15. State in detail how the ore could be shipped and how and where milled. See Note 9

*16. History: See Note 10

(*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. See summary

*17. Production: Not applicable

(*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.) Not applicable

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*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? See Note 11

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. See Note 12

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. See summary

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 Note 13

(*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.

(*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.

(*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 Note 14

CERTIFICATION

The undersigned individual ~~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.

(Name of company)	By Clarence Barrett (Signature of authorized official)
(Date)	owner (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

Note 1 (Question 4)

The applicant is also the person who will manage the project. Applicant has been self employed for approximately the past twenty years and has been engaged in the construction business during all of such time. The principal phase of such construction business in which applicant has been so engaged has been the erection and construction of residence and business buildings for sale to others. During approximately the past eleven years applicant has also been actively engaged in the mining business and has developed two successful mining properties. One of these is the Portales Company in the Hansonburg Mining District in Socorro County, New Mexico, from which there has been shipped approximately One Million Dollars worth of ore and which is now steadily producing. Applicant recently sold his interest in this mine. The other successful project referred to is the Mocking Bird Mine, also in New Mexico. This mine was closed due to the fact that it is in the White Sands Bombing Range near Alamogordo, New Mexico, but prior to the installation of the bombing range was a producing property. It is submitted that applicant's general business experience, together with his actual mining experience over the period of years, well qualifies him to undertake a project of this nature, especially since the contemplated project is in so many ways similar to the two mining projects above mentioned.

Note 2 (Question 8)

Note: The following current financial statement is a statement of the applicant's finances as an individual and is not a statement of the proposed project which is not yet a going concern. A profit and loss statement is not immediately available and leave is requested to submit this at a later date.

ASSETS

Cash on hand	$ 1,500.00
Notes receivable (none considered doubtful)	12,000.00
Materials and supplies on hand	4,500.00
Real Estate	75,000.00
Buildings and improvements	65,000.00
Machinery	27,500.00
Furnishings, equipment, fixtures, etc.	18,000.00
Real estate used for other than business purposes	15,000.00
Personal assets not used in business	3,000.00
Total assets	$ 221,500.00

Note: Applicant's net income from business is approximately $1,000.00 per month, exclusive of any salary he might allow himself. This represents present, not past, income.

LIABILITIES

Unsecured notes payable	$ 6,000.00	
Accounts payable (current)	200.00	
Wages and salaries (current)	150.00	
Mortgage debts	15,000.00	
Reserve for inventory losses and depreciation	7,500.00	
Total liabilities		$ 28,850.00
Net worth		$ 192,650.00

Note 3 (Question 9)

Applicant submits this application on the basis of fifty percent Government aid, applicant's investment thus to be $25,000.00, the total project estimated cost being $50,000.00. Applicant is prepared to invest such amount and more if necessary. This is sufficient to pay his part of the estimated cost of the project.

Note 4 (Question 10)

(a) The Mozell, East Side No. 1, East Side No. 2, and Blue Diamond Lode Mining Claims (All unpatented) located in the South One Half of Section 6, Township 6 South of Range 5 East, N. M. P. M., in the Hansonburg Mining District, Socorro County, New Mexico. These claims lie mostly in the Southwest Quarter of said Section 6.

(b) Work is expected to be done on all claims, but the major portion of the work will be done, and the major portion of the money will be spent, on the Mozell claim.

Note 5 (Question 11)

The names Mozell, East Side No. 1, East Side No. 2, and Blue Diamond are the names under which location was made, and as far as applicant knows, are the only names ever used to identify such claims.

Note 6 (Question 12)

The property is located approximately 37 miles East and slightly South of San Antonio, Socorro County, New Mexico, and approximately 6½ miles South of Bingham, Socorro County, New Mexico. San Antonio is the nearest railroad shipping point and Bingham is the nearest Post Office. Both towns are on paved highways, Bingham being on U. S. Highway No. 380, and San Antonio being on U. S. Highways Nos. 380 and 85. The road from Bingham to the property is partially topped and in fair condition for about 5 miles and the last 1½ miles

is just passable and is in poor condition. A part of the proposed project is construction of this unfinished stretch of road.

Note 7 (Question 13)

Water: Water sufficient for ordinary mining purposes does not present a great problem. Water can be readily hauled from wells located about six miles from the property and water can also be obtained from dammed up creeks and drains on the property. In the event a mill is installed (the installation of which is not contemplated in the proposed project at this time) wells would have to be drilled to obtain an adequate source of water supply.

Power: Power can now be generated by diesel and gasoline engines upon the property. The Rural Electrification Administration has, however, assured applicant that it will be in a position to furnish power to applicant within approximately sixty days. The tentative minimum charge is $100.00 per month, and it is not estimated that the monthly consumption will ordinarily exceed such minimum unless a mill is operated. The following is the schedule of REA rates applicable at this time:

First 50 KWH	7 cents per KWH
Next 150 KWH	6 cents per KWH
Next 200 KWH	5 cents per KWH
Next 600 KWH	4 cents per KWH
Next 1000 KWH	3 cents per KWH
Over 2000 KWH	2 cents per KWH

Note 8 (Question 14)

There is approximately two miles of recently constructed winding mountain road leading to the property and applicant has the following machinery and equipment to be used in the project:

1 D-50 Diesel Caterpiller type bulldozer
1 160 cu. lb. LeRoy compressor
1 105 cu. lb. Ingersoll-Rand compressor
1 A D Cleetrack loader and shovel
2 1947 model 7 ton capacity Chevrolet dump trucks
1 1946 model 7 ton capacity G. M. C. dump truck
1 1947 model 7 ton capacity Ford dump truck
miscellaneous hammer drills, cables, hand tools, etc.

Note 9 (Question 15)

The ore could readily be transported by truck from the property to San Antonio, New Mexico, and from there by rail to the smelter at El Paso, Texas. There is also a mill at San Antonio, New Mexico, and the ore could be trucked to this mill and the concentrates shipped to the smelter at El Paso by rail or truck.

Note 10 (Question 16)

(a) As yet there has been no operation of the property and no extensive development. The ore is in view on a large face and there is little overburden. Work has been done on building a road into the property and in location and assessment work. The vein upon the property is an extension of the vein running through the properties of the Mex-Tex and Portales holdings, both of which mines are now producing.

(b) The Mex-Tex Holdings, the Portales holdings, and the holdings of applicant are all in a line on the same major lead ore vein. The Mex-Tex property has been in production for about one year and is producing regularly. The Portales group has been in production for about three years and there has been shipped from this group something like One Million Dollars worth of ore with no shut-downs or cessation of work of any importance. The problem of the removal of over-burden on applicant's holdings is less than it is on the other two properties named and the ore is well exposed.

Note 11 (Question 20)

The principal known ore on the property is lead with some silver. There appears, however, some possibility of uranium, but the project at this time will be confined largely to lead ore.

Note 12 (Question 21)

Applicant proposes to complete the road onto the property, clear a bin site and erect the necessary ore bins thereon, and to build and install necessary ore chutes, a grisley, and a large primary crusher. It will be necessary to purchase certain items of equipment including the primary crusher and equipment therefor, a wagon drill and the stell and air equipment for the same, steel cable, and some other smaller items of equipment. With the addition of such equipment to the equipment applicant already has, and the completion of the road, installation of the ore bins, chutes, etc., the property will be ready to produce. It is estimated that approximately ninety days will be required to complete the project and put the property into actual production.

Note 13 (Question 23)

(a) Labor:

2 drillers @ $ 1.75 hr.	$ 2,224.00
1 caterpillar operator @ $ 2.25 hr.	1,440.00
1 shovel operator @ $ 2.25 hr.	1,440.00
1 crusher operator @ $ 1.25 hr.	67.00
3 grisley operators @ $ 1.25 hr.	200.00

4 truck drivers @ $ 1.50 hr.	$ 960.00
1 powder man @ $ 1.75 hr.	1,120.00
4 carpenters @ $2.25 hr.	2,880.00

(b) Supervisor:

1 general superintendent @ $ 125.00 wk.	1,500.00

(c) Repairs, etc.:

None

(d) Installation and construction:

Installing bins, chute, etc.	7,500.00

(e) Equipment cost:

Crusher and equipment, wagon drill and steel and air equipment, cable, etc.	14,500.00

(f) Rental for equipment not owned by applicant:

None

(g) Rental value of applicant's equipment:

Items listed in Note 8	15,600.00

(h) Material and supplies:

Oil, gasoline, diesel fuel, powder and miscellaneous items for operating machinery	4,666.00

(i) Power, water, etc.

Included in (h)

Note 14 (Question 24)

It is estimated that the total project will take approximately ninety days. The various items of machinery and equipment to be purchased should all be secured within two weeks from the commencement of the project and payment therefor made within that time. The cost of labor will be fairly constant during the entire time of the project, and it is estimated that with

the equipment purchased during the first two or three weeks of the operation of the project, approximately 60% of the entire cost of the project will be expended during the first thirty days of the construction of the project. The remaining 40% of the cost will be divided rather evenly over the remaining estimated time for the completion of the project. It is anticipated that the proposed road and bin site should be completed within approximately two weeks from the commencement of the project and that installation of the bins, chutes, machinery and equipment can be commenced at the expiration of that time.

Summary

The project contemplates the preparing of the property for actual mining by the construction and installation of necessary facilities for the purpose. At this time applicant is not in a position to furnish the information requested in questions 16 (c) and 22 with reference to reports, maps, etc., for the reason that, due to the peculiar circumstances of the property itself, these have not been obtained. As has been stated above, the ore vein running through this property is exposed and there is remarkably little over-burden. This vein is the same vein traversing the Portales and Mex-Tex properties, mentioned above, and applicant was familiar with it because of his connection with the Portales group. If it is deemed necessary, applicant will have such assays and reports made as shall appear proper upon receipt of request for the same.

It is to be noted that the estimated cost of the project slightly exceeds the sum of $50,000.00, and applicant is prepared to take care of the payment of this excess personally, the request for Government aid being presently limited to 50% of the sum of $50,000.00.

This application is submitted in its present form upon the advice of Mr. J. H. East, Jr., Regional Director of the Bureau of Mines, Region IV, Denver, Colorado, who has urged applicant to file this application at the earliest possible date. Applicant will gladly furnish any additional or supplemental information promptly upon receipt of a request for the same.

Reports & Records

a.E.C.

July 19, 1951

Ref: [illegible] 2-17303

Mr. Clarence Garrett
540 North 6th Street
Socorro, New Mexico

Dear Mr. Garrett:

Your application for an exploration loan to work your four claims in the Sanscouzy Mining District has been reviewed by the Defense Minerals Administration.

The work that you propose includes such items as building ore bins, ore chutes, grizzly, and other items preparatory to mining, and you are requesting funds for a large primary crusher and for mining equipment. You state that when this preparatory work is done for which you are requesting federal assistance, the property will be ready for actual production.

If you have a sufficient tonnage of proven lead ore and can meet certain requirements as to collateral for a loan, you should be eligible for a direct mining loan from the Reconstruction Finance Corporation in the full amount needed. The application should be made to the Defense Minerals Administration on Forms DF-100 and DF-102, copies of which are enclosed. The Defense Minerals Administration will make any field examinations that may be needed and will recommend action by the Reconstruction Finance Corporation if we believe that the loan should be approved. As certain additional information is needed beyond that given on the exploration form previously submitted by you, it will be necessary to apply on the new forms.

I regret that the type of assistance you are seeking cannot be granted under the exploration program, as outlined in the related regulations governing Government aid in defense exploration projects (DF-5). The purpose of exploration loans is to find new ore in case not enough ore is proven to sustain a mining operation. Limitation of this type of loan to exploration rather than to mining or preparation for mining is explained in section 5(a) of the attached DF-5.

If you have the reserves that will [illegible] to meet what you need, we will be [illegible] to consider an application from you.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

[illegible]:[illegible]:[illegible]:[illegible]
[illegible] 7-13-51
Copies to: J. M. [illegible], Jr. Region IV (2)
Chief, [illegible] Br.
[illegible] Cornight [illegible]
[illegible] Rose
Reports & Records
Director Br. File [illegible]
Br. Br. File [illegible]
Files

350

a.e.c

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

July 17, 1951

DMA-1730X

Mr. Clarence Barrett
320 North Sixth Street
Socorro, New Mexico

Dear Mr. Barrett:

Your letter of July 13 to Mr. Otto Herres relative to the status of your application DMA-1730X has been referred to me for reply. This is to advise that Mr. Herres is no longer with the Defense Minerals Administration.

Inasmuch as your application was received by the Lead-Zinc Branch of DMA only two weeks ago and there are many similar projects under consideration, we are unable at this time to advise the approximate date of a decision with regard to docket DMA-1730X.

Yours very truly,

T. P. Billings, Chief
Lead-Zinc Branch

TPBILLINGS:ks

cc: Reports & Records
Mote
McKnight
Billings
Files

June 28, 1951

Mr. Clarence Barrett
320 North Sixth Street
Socorro, New Mexico

Subject: DMA-1730X
Re: Exploration Loan -
Max-Tex Holdings, Portales
Holdings

My dear Mr. Barrett:

Receipt is acknowledged of your application and attachments of June 19, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1730X and referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on June 26, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1730X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

L. F. Strobel:jc
cc: ✓Strobel
File
Herres
Lyon

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-1730X

Date received 6/25/51

Participation

Clarence Barrett
300 North Sixth Street
Socorro, New Mexico

Name and address of applicant

Date June 19, 1951

FILL IN THIS BLOCK

Date of application June 19, 1951

Estimated cost $50,000.00

Mineral or metal Lead

Percentage of Government participation

Location of mine Sh Sec. 6., T. 6S., R. 5E.,

Hansonburg Min. Dist., Socorro County, N. Mex.

Date of filing MF-100 June 19, 1951

DMA Docket Number, if available

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? Individual

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

*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. See Note 1

*5. Are you the owner or the lessee of the property? (unpatented mining claim) Owner

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. None

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

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 Note 2

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)? See Note 3

*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 Note 4

(*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. See Note 5

*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 Note 6

*13. State source and quantity of water available for operations and its sufficiency at all seasons. See Note 7
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 Note 8

15. State in detail how the ore could be shipped and how and where milled. See Note 9

*16. History: See Note 10

(*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. See summary

*17. Production: Not applicable

(*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.) Not applicable

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*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? See Note 11

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. See Note 12

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. See summary

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, that the total will give the estimated cost of the project in which the Government will participate, as follows: See Note 13

(*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.

(*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.

(*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 Note 14

CERTIFICATION

The undersigned individual ~~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.

(Name of company)	By Clarence Barrett (Signature of authorized official)
(Date)	owner (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

Note 1 (Question 4)

The applicant is also the person who will manage the project. Applicant has been self employed for approximately the past twenty years and has been engaged in the construction business during all of such time. The principal phase of such construction business in which applicant has been so engaged has been the erection and construction of residence and business buildings for sale to others. During approximately the past eleven years applicant has also been actively engaged in the mining business and has developed two successful mining properties. One of these is the Portales Company in the Hansonburg Mining District in Socorro County, New Mexico, from which there has been shipped approximately One Million Dollars worth of ore and which is now steadily producing. Applicant recently sold his interest in this mine. The other successful project referred to is the Mocking Bird Mine, also in New Mexico. This mine was closed due to the fact that it is in the White Sands Bombing Range near Alamogordo, New Mexico, but prior to the installation of the bombing range was a producing property. It is submitted that applicant's general business experience, together with his actual mining experience over the period of years, well qualifies him to undertake a project of this nature, especially since the contemplated project is in so many ways similar to the two mining projects above mentioned.

Note 2 (Question 8)

Note: The following current financial statement is a statement of the applicant's finances as an individual and is not a statement of the proposed project which is not yet a going concern. A profit and loss statement is not immediately available and leave is requested to submit this at a later date.

ASSETS

Cash on hand	1,500.00	
Notes receivable (none considered doubtful)	12,000.00	
Materials and supplies on hand	4,500.00	
Real Estate	75,000.00	
Buildings and improvements	65,000.00	
Machinery	27,500.00	
Furnishings, equipment, fixtures, etc.	18,000.00	
Real estate used for other than business purposes	15,000.00	
Personal assets not used in business	3,000.00	
Total assets		221,500.00

Note: Applicant's net income from business is approximately 1,000.00 per month, exclusive of any salary he might allow himself. This represents present net past. income.

LIABILITIES

Unsecured notes payable	$ 6,000.00	
Accounts payable (current)	200.00	
Wages and salaries (current)	150.00	
Mortgage debts	15,000.00	
Reserve for inventory losses and depreciation	7,500.00	
Total liabilities		$ 28,850.00
Net worth		$ 193,650.00

Note 3 (Question 9)

Applicant submits this application on the basis of fifty percent Government aid, applicant's investment thus to be $35,000.00, the total project estimated cost being $50,000.00. Applicant is prepared to invest such amount and more if necessary. This is sufficient to pay his part of the estimated cost of the project.

Note 4 (Question 10)

(a) The Mozell, East Side No. 1, East Side No. 2, and Blue Diamond Lode Mining Claims (All unpatented) located in the South One Half of Section 6, Township 6 South of Range 5 East, N. M. P. M., in the Hansonburg Mining District, Socorro County, New Mexico. These claims lie mostly in the Southwest Quarter of said Section 6.

(b) Work is expected to be done on all claims, but the major portion of the work will be done, and the major portion of the money will be spent, on the Mozell claim.

Note 5 (Question 11)

The names Mozell, East Side No. 1, East Side No. 2, and Blue Diamond are the names under which location was made, and as far as applicant knows, are the only names ever used to identify such claims.

Note 6 (Question 12)

The property is located approximately 37 miles East and slightly South of San Antonio, Socorro County, New Mexico, and approximately 6½ miles South of Bingham, Socorro County, New Mexico. San Antonio is the nearest railroad shipping point and Bingham is the nearest Post Office. Both towns are on paved highways, Bingham being on U. S. Highway No. 380, and San Antonio being on U. S. Highways Nos. 380 and 85. The road from Bingham to the property is partially topped and in fair condition for about 5 miles and the last 1½ miles

is just passable and is in poor condition. A part of the proposed project is construction of this unfinished stretch of road.

Note 7 (Question 15)

Water: Water sufficient for ordinary mining purposes does not present a great problem. Water can be readily hauled from wells located about six miles from the property and water can also be obtained from dammed up creeks and drains on the property. In the event a mill is installed (the installation of which is not contemplated in the proposed project at this time) wells would have to be drilled to obtain an adequate source of water supply.

Power: Power can now be generated by diesel and gasoline engines upon the property. The Rural Electrification Administration has, however, assured applicant that it will be in a position to furnish power to applicant within approximately sixty days. The tentative minimum charge is $100.00 per month, and it is not estimated that the monthly consumption will ordinarily exceed such minimum unless a mill is operated. The following is the schedule of REA rates applicable at this time:

First 50 KWH	7 cents per KWH
Next 150 KWH	6 cents per KWH
Next 300 KWH	5 cents per KWH
Next 600 KWH	4 cents per KWH
Next 1000 KWH	3 cents per KWH
Over 3000 KWH	2 cents per KWH

Note 8 (Question 14)

There is approximately two miles of recently constructed winding mountain road leading to the property and applicant has the following machinery and equipment to be used in the project:

1 D-50 Diesel Caterpiller type bulldozer
1 160 cu. ft. Leffey compressor
1 105 cu. ft. Ingersoll-Rand compressor
1 A D Cleetrack loader and shovel
2 1947 model 7 ton capacity Chevrolet dump trucks
1 1946 model 7 ton capacity G. M. C. dump truck
1 1947 model 7 ton capacity Ford dump truck
miscellaneous hammer drills, cables, hand tools, etc.

Note 9 (Question 15)

The ore could readily be transported by truck from the property to San Antonio, New Mexico, and from there by rail to the smelter at El Paso, Texas. There is also a mill at San Antonio, New Mexico, and the ore could be trucked to this mill and the concentrates shipped to the smelter at El Paso by rail or truck.

Note 10 (Question 16)

(a) As yet there has been no operation of the property and no extensive development. The ore is in view on a large face and there is little overburden. Work has been done on building a road into the property and in location and assessment work. The vein upon the property is an extension of the vein running through the properties of the Mex-Tex and Portales holdings, both of which mines are now producing.

(b) The Mex-Tex Holdings, the Portales holdings, and the holdings of applicant are all in a line on the same major lead ore vein. The Mex-Tex property has been in production for about one year and is producing regularly. The Portales group has been in production for about three years and there has been shipped from this group something like One Million Dollars worth of ore with no shut-downs or cessation of work of any importance. The problem of the removal of over-burden on applicant's holdings is less than it is on the other two properties named and the ore is well exposed.

Note 11 (Question 20)

The principal known ore on the property is lead with some silver. There appears, however, some possibility of uranium, but the project at this time will be confined largely to lead ore.

Note 12 (Question 21)

Applicant proposes to complete the road onto the property, clear a bin site and erect the necessary ore bins thereon, and to build and install necessary ore chutes, a grisley, and a large primary crusher. It will be necessary to purchase certain items of equipment including the primary crusher and equipment therefor, a wagon drill and the steel and air equipment for the same, steel cable, and some other smaller items of equipment. With the addition of such equipment to the equipment applicant already has, and the completion of the road, installation of the ore bins, chutes, etc., the property will be ready to produce. It is estimated that approximately ninety days will be required to complete the project and put the property into actual production.

Note 13 (Question 23)

(a) Labor:

3 drillers @ $ 1.75 hr.	2,234.00
1 caterpiller operator @ $ 2.25 hr.	1,440.00
1 shoval operator @ $ 2.25 hr.	1,440.00
1 crusher operator @ $ 1.25 hr.	67.00
3 grisley operators @ $ 1.25 hr.	200.00

4 truck drivers @ $ 1.50 hr.	960.00
1 powder man @ $ 1.75 hr.	1,120.00
4 carpenters @ $2.25 hr.	2,880.00

(b) Supervisor:

1 general superintendent @ $ 125.00 wk.	1,500.00

(c) Repairs, etc.:

None

(d) Installation and construction:

Installing bins, chute, etc.	7,500.00

(e) Equipment cost:

Crusher and equipment, wagon drill and steel and air equipment, cable, etc.	14,500.00

(f) Rental for equipment not owned by applicant:

None

(g) Rental value of applicant's equipment:

Items listed in Note 8	15,600.00

(h) Material and supplies:

Oil, gasoline, diesel fuel, powder and miscellaneous items for operating machinery	4,666.00

(i) Power, water, etc.

Included in (h)

Note 14 (Question 24)

It is estimated that the total project will take approximately ninety days. The various items of machinery and equipment to be purchased should all be secured within two weeks from the commencement of the project and payment therefor made within that time. The cost of labor will be fairly constant during the entire time of the project, and it is estimated that with

the equipment purchased during the first two or three weeks of the operation of the project, approximately 60% of the entire cost of the project will be expended during the first thirty days of the construction of the project. The remaining 40% of the cost will be divided rather evenly over the remaining estimated time for the completion of the project. It is anticipated that the proposed road and bin site should be completed within approximately two weeks from the commencement of the project and that installation of the bins, chutes, machinery and equipment can be commenced at the expiration of that time.

Summary

The project contemplates the preparing of the property for actual mining by the construction and installation of necessary facilities for the purpose. At this time applicant is not in a position to furnish the information requested in questions 16 (c) and 22 with reference to reports, maps, etc., for the reason that, due to the peculiar circumstances of the property itself, these have not been obtained. As has been stated above, the ore vein running through this property is exposed and there is remarkably little over-burden. This vein is the same vein traversing the Portales and New-Tex properties, mentioned above, and applicant was familiar with it because of his connection with the Portales group. If it is deemed necessary, applicant will have such assays and reports made as shall appear proper upon receipt of request for the same.

It is to be noted that the estimated cost of the project slightly exceeds the sum of $50,000.00, and applicant is prepared to take care of the payment of this excess personally, the request for Government aid being presently limited to 50% of the sum of $50,000.00.

This application is submitted in its present form upon the advice of Mr. J. H. East, Jr., Regional Director of the Bureau of Mines, Region IV, Denver, Colorado, who has urged applicant to file this application at the earliest possible date. Applicant will gladly furnish any additional or supplemental information promptly upon receipt of a request for the same.