NOV 8 1951

Re: Docket DMA-363

OFFICE RECEIVED NOV 1 1951

Mr. Carl H. Peterson, Secretary
U.S. Oil & Development Corporation
205-11 Mercantile Building
Denver 2, Colorado

Dear Mr. Peterson:

The application submitted by the U. S. Oil and Development Corporation for a loan to explore the Battle Boy mine in San Juan County, Colorado, has been reviewed by the Defense Minerals Administration.

The project as you have presented it consists of equipping the property and cleaning out old workings in order to mine ore from developed reserves. According to the regulations of the present exploration program, such work cannot be considered as exploration. In addition, the assays of the ore indicate that the mine is primarily a gold-silver property and does not contain sufficient base metals to warrant Government participation. In view of this we are unable to justify an expenditure of public funds for the project you propose. I regret, therefore, that your application must be denied.

We wish to thank you for bringing this property to our attention.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

EJLyons:emp
10-31-51 G

Copies to: J. H. East, Jr. Region IV (2)
Lead-Zinc Br.
E. T. McKnight 4204 GSA
C. M. Bishop
Directors r. files 4214 GSA
Br. r. files 4214 GSA
Administrators r. file
DMA docket files

Initial

J. H. East, Jr. Region IV

CENTRAL RECORDS
OFFICE
REGION IV
NOV 15 1951
BUREAU OF MINES
DENVER, COLORADO

NOV 6 1951

Memorandum

Re: Docket DMA-363
U.S. Oil and Development Corporation
Denver, Colorado
Geltie Boy Mine
San Juan County, Colorado
Exploration loan, $55,627
Lead, zinc, copper

To: Reports and Records Unit
Administrative Management Div.

From: Lead-Zinc Branch

Subject: Recommendation for denial of exploration loan

The application was submitted by the U. S. Oil and Development Corporation of Denver, Colorado, for a loan to explore the Geltie Boy mine in San Juan County, Colorado. Total estimated cost of the project was $55,627.

The project, as outlined by the applicant, consisted of cleaning out the Geltie Boy tunnel and laying new track, new air line, water line, and ventilating line for a distance of about 1300 feet.

The Lead-Zinc Branch originally recommended a revised exploration program, cut to $20,752, on the grounds that gold-silver ore that was blocked out in 1900-1907 when zinc was a deleterious gangue constituent could be a zinc-lead ore under present conditions, particularly in view of the known occurrence of base metal ore bodies, such as the Lark in a similar geologic occurrence in this vicinity. As the ore has long been inaccessible, and as there is no record of the zinc content, reopening the mine would be equivalent to a new exploration.

J.F.S.

The Production Expansion Division has questioned the justification for considering this as a base metal project and has recommended denial of the application on the following grounds:

(1) The Geltie Boy is a gold-silver mine. The assays submitted do not show sufficient base metal content to warrant consideration.

(2) The applicant claims that about 92,500 tons of ore are already developed.

(3) The work proposed is not exploration, but consists of equipping the property and cleaning out old workings to produce gold-silver ore.

Lauritsen

(4) The project has been rejected as a source of tungsten.

Upon reconsideration, the Lead-Zinc Branch does not consider that the case for an exploration loan is strong enough to warrant contesting the recommendation of the Production Expansion Division, particularly on such a poorly documented application as this one is. Hence the Branch agrees with the recommendation that the application should be denied. The attached letter should be sent to the applicant.

The following material is attached:

List of exhibits to conform to Form PF-103.
Answers to items requested on Form PF-103, dated May 4, 1951, with attached exhibits.
Correspondence and memoranda.
Review of application for exploration assistance.

G. E. Johnson, Acting Chief
Lead-Zinc Branch

Approved:

Tom Lyon
Director, Supply Division

EJLyons:emp
G 10-31-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
O. M. Bishop
Directors r. files 4214 GSA
Br. r. files 4214 GSA
Administrators r. files
DMA docket files

6-303
(March 1947)

cc: P. T. Allsman
W. M. Traver, Jr.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Salt Lake City, Utah

Mining Division
Date Rec'd.
AUG 31 1951
BUREAU OF MINES
Denver, Colorado

No. 7

Report to Mr. Scott W. Hazen, Jr.

Chemical Laboratory Report

Date received Aug. 24, 1951

Date reported Aug. 29, 1951

Serial No.	DESCRIPTION	Lot No.	WO_3
	DMA-363 Galty Boy, San Juan County		
97850	Ore pile	SWH-52	0.50

U. S. GOVERNMENT PRINTING OFFICE 16—33553-3

Signed

224 New Customhouse
Denver, Colorado

June 13, 1951

Memorandum

To: Tom Lynn, Chairman, Coordinating Committee, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: DMA 363X, Baltic Boy Mines, Inc.

We are enclosing a letter received from Carl E. Peterson, Secretary, Baltic Boy Mines Inc., 205 Mercantile Building, Denver 2, Colorado. This has reference to your letter of May 25 regarding the above docket.

P. T. Allsman, Alternate

A. H. Koschmann

Attachment

GALTIE BOY MINES INC.
205-11-16 Mercantile Bldg.
Denver 2, Colorado

COPY

May 29, 1951

Mr. J. H. East Jr.
Regional Director, Region IV
Bureau of Mines
224 New Customhouse
Denver, Colorado

Dear Mr. East:

Referring to our conversation in your office this morning relative to the Galtie Boy application DMA 363X.

It is noted that you have advised me that the opening of the tunnel to the Galtie Boy vein cannot be considered under the tungsten program.

The application was submitted previously as lead, and zinc proposition on a 50-50 matching basis.

For reference as to our financial ability to meet this loan on a 50-50 basis we refer you to the Central Bank & Trust Company, 15th and Arapahoe Streets, Denver, Colorado.

If our original application can be considered on a 50-50 basis for the lead, zinc and copper, and the exploration of the tungsten vein in the Galtie Boy tunnel be considered on a 75-25 basis, as suggested in the letter from Mr. Lyons, we will be glad to sign the contract to that effect.

Very truly yours,

GALTIE BOY MINES INC.

BY /s/ Carl H. Peterson, Secretary

CHP:w

GALTIE BOY MINES INC.
205-11-16 Mercantile Bldg.
Denver 2, Colorado

COPY

May 29, 1951

Mr. J. H. East Jr.
Regional Director, Region IV
Bureau of Mines
224 New Customhouse
Denver, Colorado

Dear Mr. East:

Referring to our conversation in your office this morning relative to the Galtie Boy application DMA 363E.

It is noted that you have advised me that the opening of the tunnel to the Galtie Boy vein cannot be considered under the tungsten program.

The application was submitted previously as lead, and zinc proposition on a 50-50 matching basis.

For reference as to our financial ability to meet this loan on a 50-50 basis we refer you to the Central Bank & Trust Company, 15th and Arapahoe Streets, Denver, Colorado.

If our original application can be considered on a 50-50 basis for the lead, zinc and copper, and the exploration of the tungsten vein in the Galtie Boy tunnel be considered on a 75-25 basis, as suggested in the letter from Mr. Lyons, we will be glad to sign the contract to that affect.

Very truly yours,

GALTIE BOY MINES INC.

BY /s/ Carl H. Peterson, Secretary

CHP:w

DMA

GALTIE BOY MINES INC.
205-11-16 Mercantile Bldg.,
Denver 2, Colorado.

May 29, 1951.

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

Mr. J. H. East Jr.,
Regional Director, Region IV
Bureau of Mines,
224 New Customs Building,
Denver, Colorado.

Dear Mr. East:

Referring to our conversation in your office this morning relative to the Galtie Boy application DMA-363X.

It is noted that you have advised me that the opening of the tunnel to the Galtie Boy vein cannot be considered under the tungsten program.

The application was submitted previously as lead, and zinc proposition on a 50-50 matching basis.

For reference as to our financial ability to meet this loan on a 50-50 basis we refer you to the Central Bank & Trust Company, 15th & Arapahoe Sts., Denver, Colorado.

If our original application can be considered on a 50-50 basis for the lead, zinc and copper, and the exploration of the tungsten vein in the Galtie Boy tunnel be considered on a 75-25 basis, as suggested in the letter from Mr. Lyons, we will be glad to sign the contract to that affect.

Very truly yours,

GALTIE BOY MINES INC.,

By Carl H. Peterson
Carl H. Peterson, Secretary

CHP:w

JAE

COPY

GALTIE BOY MINES INC.
205-11-16 Mercantile Bldg.
Denver 2, Colorado

May 29, 1951

Mr. J. H. East Jr.
Regional Director, Region IV
Bureau of Mines
224 New Customhouse
Denver, Colorado

Dear Mr. East:

Referring to our conversation in your office this morning relative to the Galtie Boy application DMA 363X.

It is noted that you have advised me that the opening of the tunnel to the Galtie Boy vein cannot be considered under the tungsten program.

The application was submitted previously as lead, and zinc proposition on a 50-50 matching basis.

For reference as to our financial ability to meet this loan on a 50-50 basis we refer you to the Central Bank & Trust Company, 15th and Arapahoe Streets, Denver, Colorado.

If our original application can be considered on a 50-50 basis for the lead, zinc and copper, and the exploration of the tungsten vein in the Galtie Boy tunnel be considered on a 75-25 basis, as suggested in the letter from Mr. Lyons, we will be glad to sign the contract to that affect.

Very truly yours,

GALTIE BOY MINES INC.

BY /s/ Carl H. Peterson, Secretary

CHP:w

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

DMA

MAY 25 1951

RECEIVED
MAY 28 1951

Mr. J. H. East, Jr., Executive Officer
DMA Field Team, Region IV
230 New Customhouse
Denver 2, Colorado

Subject: DMA 363 X - Galtie Boy Mines, Inc.

Dear Mr. East:

The Galtie Boy Mines, Inc. have submitted a revised tungsten application for reopening the Galtie Boy tunnel on a 75 percent participation basis by the Government. Although this application was submitted through the Denver Office of the Bureau of Mines, and you are probably familiar with its content, we are returning it to you for consideration along with the previously referred lead-zinc proposal for the same property.

Apparently, the applicant now has 2 applications to reopen the same tunnel for different metals. The tungsten commodity committee does not believe that the Galtie Boy is a good enough prospect for tungsten to warrant an expenditure of $43,822 to open the tunnel. However, if the tunnel should be opened for other reasons and a huebnerite vein is found in the workings, a small exploration loan to explore such a vein might be considered.

The list of proposed expenditures for reopening the tunnel include taxes ($4,000) and 4 stopers ($2,440), items which do not seem required for the project. In addition, it is not clear that a mucking machine is needed unless caved areas are extensive.

Yours very truly,

Tom Lyon

Tom Lyon
Chairman, Coordinating Committee

Enclosure

APPROVED BY:
[illegible]ell B. Moen

For the Bureau of Mines
Olaf N. [illegible]

For the Geological Survey

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

MAY 28 1951

MAY 25 1951

Mr. J. H. East, Jr., Executive Officer
DMA Field Team, Region IV
230 New Customhouse
Denver 2, Colorado

Subject: DMA 363 X - Galtie Boy Mines, Inc.

Dear Mr. East:

The Galtie Boy Mines, Inc. have submitted a revised tungsten application for reopening the Galtie Boy tunnel on a 75 percent participation basis by the Government. Although this application was submitted through the Denver Office of the Bureau of Mines, and you are probably familiar with its content, we are returning it to you for consideration along with the previously referred lead-zinc proposal for the same property.

Apparently, the applicant now has 2 applications to reopen the same tunnel for different metals. The tungsten commodity committee does not believe that the Galtie Boy is a good enough prospect for tungsten to warrant an expenditure of $43,822 to open the tunnel. However, if the tunnel should be opened for other reasons and a huebnerite vein is found in the workings, a small exploration loan to explore such a vein might be considered.

The list of proposed expenditures for reopening the tunnel include taxes ($4,000) and 4 stopers ($2,440), items which do not seem required for the project. In addition, it is not clear that a mucking machine is needed unless caved areas are extensive.

Yours very truly,

Tom Lyon

Tom Lyon
Chairman, Coordinating Committee

Enclosure

APPROVED BY:

Lowell B. Moon
For the Bureau of Mines

Olaf L. Rose
For the Geological Survey

JHE

May 7, 1951

Memorandum

To: Landon Strebel, Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: Revised application - DMA Docket 363, U. S. Oil and Development Company, Celtic Bay Mines, Inc., Carl Peterson, applicant

During a recent trip to Washington by Mr. Peterson, he was advised to prepare and re-submit the information on the above docket. The enclosed brochure and executed form MF 103 are the result of this revision.

P. T. Allsman, Alternate

Attachments
Three copies of revised tungsten application
Three copies of MF 103

PTA/cl
cc-dma files

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. .....

Date received .....

Participation .....

Colcio Bay Mines Inc.
211 Boreantile Bldg.,
Denver 2, Colorado

Name and address of applicant

Date May 4 1951

FILL IN THIS BLOCK

Date of application May 4, 1951

Estimated cost $63,000.00

Mineral or metal Sunston

Percentage of Government participation 75%

Location of mine Silverton, San Juan Co. Colorado.

Date of filing MF-100

DMA Docket Number, if available

See attached sheets for detailed answers to these questions.

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?
*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.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

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

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

16—64067-1

THE PROPERTY

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

    (*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.

*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.

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

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

*16. History:

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

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

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

*17. Production:

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

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

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

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

    (*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?

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

    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.

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:

    (*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.

CERTIFICATION

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

CARBON MOV MINING INC
(Name of company)

By Earl Peterson
(Signature of authorized official)

May 4 1961
(Date)

Secretary
(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

Mr. J. A. East,
Regional Director,
Bureau of Mines,
Region IV,
Old New Customs Building,
Denver 2, Colorado.

Dear Mr. East:

1. The following list of exhibits has been made in accordance with Form M-103 as issued from your office which is an application for exploration project loan pursuant to Mineral Order 5 under Defense Production Act of 1950.

Loan application for Cattle Boy group of mines in Cave Creek Basin, San Juan County, Colorado, by:

Cattle Boy Mines Inc.,
Old Mercantile Building,
1031 - 15th Street,
Denver 2, Colorado.

This application was formerly made by Walter L. Bentley, W. A. Green and Earl H. Peterson.

3. Shows the corporate's officers, directors and largest stockholders.

4. Walter L. Bentley who will be the consulting engineer has had wide experience in the mining field. He was with Kaco Co. for Kerr McGee 20 years, and with U.S. Bureau of Mines 4 years, and was with American Smelter & Refining Company for one year as resident engineer for Colorado.

5. Cattle Boy Mines Inc., are the lessees with purchase agreement. See the assignment from Walter L. Bentley, W. A. Green and Earl H. Peterson to the Cattle Boy Mines Inc; also lease from Mrs. A. A. Mason and Frank L. Rose which has been assigned by Walter L. Bentley W. A. Green and Earl H. Peterson.

7. The lease and purchase agreement from Mrs. A. A. Mason and Frank L. Rose are in good standing.

9. The Galtie Boy Mines Inc., was incorporated on April 27th 1951 with a capital stock of $50,000 worth of common stock with a par value of $1.00 per share.

10(a) The attached Federal land plats Survey No.18050 and No.18636 shows the claims covered by the leases and purchase agreements. All the claims belonging to the lease are colored in green, except one which is the Cement Creek claim which joins the Prospect Gulch Placer claim Survey No.18049.

10(b) The exploration will consist of cleaning out the sloughed material and some slight cave-ins and laying new track, new air line, water line and ventilating line in the Galtie Boy tunnel for a distance of approximately 1300 feet. The Galtie Boy tunnel is shown in red on plats Mineral Survey No. 18636 and starts on the Gold Dollar running across the Galtie Boy and ending on the Little Jack.

11. As far as we have been able to ascertain this group of mines has always been known as the Galtie Boy Mines.

12. The Galtie Boy Mines are located almost due north of Silverton Colorado about 7 miles; going from Silverton you go up the Cement Creek highway which runs approximately one mile from the portal of the Galtie Boy tunnel. There will have to be about 3/4ths of a mile of new road or rebuilding an old road which exists in order to get the ore to the highway from Galtie Boy Mine. Application has been made to Bureau of Mines under the Mine Access Road Provision.

13. There is an abundance of water in Dry Gulch Cannon, also Cement Creek and Prospect Gulch. This water is plentiful at all seasons of the year. The Southern Colorado Power Company's high line runs about a mile from the portal of the Galtie Boy tunnel. We do not anticipate any difficulty in getting the power company to run a power line to the mine for us. Of course we will have to pay for the cost of the power line.

14. As this mine has not really been operated since 1937 there are no buildings on the property that can be occupied, however we will be able to lease the cook house, dining room and some of the bunk houses at the Lark mine which is only about 2-1/2 miles by truck road at a very nominal cost.

15. The nearest tungsten mill to the property is the Vanadium Milling Company of Boulder. We expect to jig and reduce the ore as much as possible at the mine and haul it to Boulder by truck.

16(a)(b)(c) The references furnished in the application are self explanatory and complete.

17. We have no information on which to base production estimates, however we do know that a sizeable vein of tungsten was cut in the Galtie Boy tunnel as Mr. Frank Ross, T. . Valby and Harold . Williams have examined the vein of tungsten in the Galtie Boy tunnel and advise that there is a sizeable vein of tungsten.

18(a) Attached to this application is a report by J. . Barter, M.E. also one by Louis F. Schaefer, M.E. which covers these claims.

(18(b) Also Map Survey No.18350 and No.18636 which covers the entire group of claims leased by the Baltic Boy Mines Inc. Also there is a map showing the relative location of these two surveys to each other. Also profile map of Baltic Boy vein, Last Chance, Camp Bird and Little Maud veins; also the Leslie, Ohio, Steel, Boycotter and Sunshine; also map showing the relative positions of these veins to each other.

19. As stated in the application we have made a plication for the construction of access road to the Baltic Boy tunnel portal.

20. This exploration will be conducted to produce tungsten.

21. Refer to item 10 of this letter.

22. Refer to item 18(a) 18(b) of this letter.

23. See itemized list of equipment and supplies and labor needed to complete this project.

24. If this loan is allowed within the next few days and a D.O. order for equipment and supplies are allowed at the same time we feel we can get started in a very short time. If equipment and supplies are available we would be able to complete this project within from four to six months.

BALTIC BOY MINES INC. By Earl A. Peterson

April 4, 1961. Secretary

[illegible]

Application for [illegible] on [illegible] project pursuant to [illegible] Order 6, under Defense Production Act of 1950.

[illegible] Mines Inc.
211-16 [illegible] Bldg.,
Denver 2, Colorado.

Date of application, May 4, 1951.

Mineral or metal, [illegible] Tungsten,

Location of mine, [illegible], San Miguel Co. Colorado.

Estimated cost, 43,222.00

Percentage of government participation, [illegible]

Date of [illegible] 1-100 [illegible] Docket Number [illegible]

1. The former stockholders were Walter [illegible] Bentley, [illegible] Green, [illegible] and H. Peterson, at the time the application was filed. The above parties have since created under the name of Dalhie Boy Mines Inc., a Colorado corporation with offices at 211-216 [illegible] Building, Denver 2, Colorado.

2. Blank.

3. The name of the corporation officers are:
Walter [illegible] Bentley, President, 211 [illegible] 11th Ave., Denver, Colorado.
[illegible] Green, Treasurer, 1543 Columbine St., Denver, Colorado
Earl H. Peterson, Secretary, 4307 Tejon St., Denver, Colorado.
The directors are:
Walter [illegible] Bentley, 211 [illegible] 11th Ave., Denver, Colorado.
[illegible] R. Green, 1543 Columbine, Denver, Colorado.
Earl [illegible] Peterson, 4307 Tejon St., Denver, Colorado.
Elbert [illegible] Brown, 4307 Tejon St., Denver, Colorado.
James [illegible] Henderson, 500 Equitable Building, Denver, Colorado.
The five largest stockholders are:
Walter H. Bentley, [illegible] Green, Earl H. Peterson, Elbert [illegible] Brown, and James [illegible] Henderson.

4. Walter [illegible] Bentley will be the operating engineer. He has had wide experience as a mining engineer. He was with Climax in Denver for many 20 years, and with [illegible] Inc. 4 years, and was [illegible] President [illegible] for one year as President [illegible].

5. The Dalhie Boy Mines Inc., are the lessees with a purchase option. (See lease and option contract attached).

6. Land.

7. The attached leases and purchase agreements are in [illegible] form. (See attached abstracts).

8. This is newly formed corporation and have not been operating, therefore we cannot furnish financial or profit and loss statements. However we have the money to match the Government out of 75,000.00 [illegible].

9. The corporation is financially prepared to furnish its portion of the funds as requested in Section 9 of Mineral Order 6.

10 (a) See the attached federal land plats, Mineral Survey 12560 Exhibit Number 3-A-1 and 12636 Exhibit 3-A-2, the property covered by the leases and purchase agreements are shown colored in green.

10 (b) The exploration is to be conducted in the Dalhie Boy Mines which is located on the Gold Bolivar, Dalhie Boy and Little Buck mining claims as shown on Plat Mineral Survey No. 12636 Exhibit 3-A-2.

Item 23

The following is [illegible] machinery, equipment and facilities needed to open the Cattle Boy [illegible] for which we are asking a loan [illegible] the Defense Production Act through the U.S. Bureau of [illegible]. We are also asking for priority on same.

20 tons 30 lb. rails [illegible]	2,000.00
4 switches [illegible] each	100.00
600 ties [illegible] each	300.00
Rail splices for 1000 feet	[illegible]
1 air tramper complete	1,000.00
Cars (1 or 2 ton) [illegible] per car	[illegible]
Shaking machine	[illegible]
1 Jack hammer	350.00
4 Stopers [illegible] each	2,440.00
1 Leyner [illegible] each	[illegible]
Mine timber	[illegible]
Lumber for building	1,[illegible]
420 cubic feet compressor	[illegible]
40 box loads (boxes) powder	700.00
Fuse	200.00
Caps	[illegible]
3/4 mile electric power line	1,[illegible]
10 lamps, [illegible] per month, [illegible] the	[illegible]
Small tools	[illegible]
5 H.P. fan	[illegible]
1300 feet 1" water line [illegible] per ft	[illegible]
1300 feet 1-inch [illegible] [illegible]	[illegible]
1300 feet 3-1/2" air line [illegible] per ft.	[illegible]
6 hand rock drills, 1 mechanic, 1 unskilled helper, 300 shifts [illegible] month - 5 months or [illegible] at [illegible]	7,[illegible]
1 Ferryall or ambulance for transportation	2,000.00
Freight [illegible] estimated	2,000.00
1 Jeep	1,[illegible]
Cable, estimated	[illegible]
6 air hose [illegible]	[illegible]
6 water hose [illegible]	[illegible]
	$ 45,[illegible]

11. The present name of the property is the Baltic Boy group. We are informed that this group of claims have been known by that name from the time of the original location.

12. The Baltic Boy Mines are located about seven miles north of Silverton, Colorado and are about a mile from the county highway that runs up Cement Creek.

13. There is an abundance of water in the Dry Gulch canon, which runs near the Baltic Boy Tunnel portal, also there is water available in Cement Creek and Prospect Gulch. This water is plentiful at all seasons of the year.

The Southern Colorado Power Company's high line runs about a mile from the portal of the Baltic Boy Tunnel and electric power will be available at the prevailing rate.

14. There is no equipment or buildings on the property but there is a scale house and dining room and bunk houses available at the Lark Mine which is about 2-1/2 miles by road, these are available at a nominal cost.

15. The tungsten ore will be hauled by truck to Boulder, Colorado, for milling, after it has been jigged and reduced as much as possible at the mine. The Real Milling Company of Boulder, Colorado, will mill the ore.

16 (a) The former operator of the Baltic Boy Mine was Ross Mining and Milling Company, and the original locator of the Baltic Boy was Patrick Lonigan together with his brother and brother-in-law.

Frank Ross, who lives in Denver at 3510 St. Paul, phone Ekmont 3[illegible], together with his brother and uncle, for several years operated the smelter at Silverton, Colorado, and they bought the Baltic Boy property consisting of 19 patented claims for $40,000 cash from the original locators, Patrick Lonigan and his associates (Lonigan is still living at Silverton, Colorado). The Ross brothers kept on developing this property, not only the Baltic Boy vein, but they also opened up the Last Chance, Ohio, Bethel, and Boycotter. These ore bodies were opened up for the sole purpose for back log of ore for their smelter, and according to Mr. Ross and Mr. Lonigan none of the ore that was opened up was ever shipped prior to 1907, and when the panic came in the fall they closed the smelter and their mining operations. They were never able to open up again because of financial conditions. It was stated that there has never been any work done in the mine since the panic of 1907. In 1941 or during the second world war a party by the name of Harold O. Williams, 2405 20th Street, Boulder, Colorado, took a lease on part of the Baltic Boy dump for tungsten and assays from this dump are attached hereto. He discovered that the tungsten came from a separate vein where the Little Jack vein is intersected by the Baltic Boy tunnel which is approximately 50 feet from the Baltic Boy vein. And we understand from Mr. Ross that this operation was profitable.

Maps of surface as well as the underground workings are attached to the application, also attached hereto are maps and drawings of blocks of ore marked A. . . . . D. and E, of the Baltic Boy ore body as well as Last Chance, Ohio, Little Jack and Boycotter vein showing estimates of developed as well as undeveloped ore bodies.

16 (b) During 1941 Harold O. Williams and H. . . Wally worked the tungsten veins on the Ohio, Dawn of Day and Minnesota claims and shipped sizeable amount of ore from them, and at the present time they have leased the Ohio, Dawn of Day and Minnesota from us which shows their faith in these claims, since they have mined in the Boulder and Nederland districts they should know good tungsten mines.

We have also leased the Dry Gulch and Minnesota claims to Theron Nelson and George Litsey for time for tungsten. Mr. Litsey has also mined these claims before.

17. Production: We have no information on which to base production estimates.

18 (A) Refer to reports and maps.
(B) See reports and maps.
(C) Not known by claimants.

19. There is about three-fourths of a mile of truck road that will have to be rebuilt and worked. We have made application to have this done by the Bureau of Roads under the Alaska access roads provision.

20. This exploration will be subjected to reduced tungsten.

21. The proposed project is to open the Baltic Boy tunnel, which will consist of cleaning out the dirt and rock that has sloughed off of the roof and walls of the tunnel in some instances nearly closing the tunnel; laying new track and retimbering where required; putting in air pipe and making the tunnel usable for a distance of about 1300 feet. This project should not take one year to complete.

22. For geological information refer to U.S.G.S. Bulletin 1401 and 1402, page 336 and reports of J. B. Buxton, U.S.G.S. which is attached.

23. See page inserted just prior to this sheet.

24. We expect to start work as soon as the snow clears this spring, which should be by June 1, provided we can obtain the equipment and supplies necessary.

We figure the tunnel can be opened in three to six months depending on the amount of material sloughed off the roof and walls and also some small cave in that will have to be cleaned out and retimbered.

WHEREAS

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

[illegible]

May 4th 1951
Date

By Carl Peterson
Secretary.

No. 799. ASSIGNMENT OF MINING LEASE.—The Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, Denver.

ASSIGNMENT OF MINING LEASE

THIS INDENTURE, made this 4th day of May, A. D. 19 52, between Walter W. Bentley, W.H. Green, and Carl H. Peterson the assignors and Galtie Boy Minon Inc., a Colorado corporation, the assignee,

WITNESSETH, That in consideration of One Dollar and other good and valuable considerations ~~DOLLARS~~ to the said assignors paid by the said assignee, the receipt whereof the said assignors hereby acknowledge, the said assignors hereby assign to the said assignee its executors, administrators and assigns all their right, title and interest in and to that certain mining lease between Frank L. Ross, and Mrs. M. M. Bacon, Lessor, and Walter W. Bentley, W.H. Green, and Carl H. Peterson, Lessee dated September 11, A. D. 19 50 and recorded in the records of the Clerk and Recorder of the County of San Juan, State of Colorado, in Book 175 at Page 535, of certain property situate in the County of San Juan, State of Colorado, to-wit: as shown on Federal Plats No.10050, the following claims Gold Standard, Moyatone, Del Mino, Wetzel, Sibley, Hill, J.C. Bell, Boycotter and Boycotter Extension lodes; and Mineral Survey No.10656 Little Hand, Little Hack, Gold Dollar, Galtie Boy, Last Chance, Dry Gulch, Camp Bird, Minnesota, Ohio, Dan of Day and Sunshine Lodes.

for the term of 16 months ~~years~~ of which term there now remains the unexpired residue of 8 months ~~years~~ or until January 1st 1952 with an annual extensions.

TO HOLD the same unto the said assignee, its executors, administrators and assigns for the unexpired term of 8 months ~~years~~ subject, nevertheless, to the rents, royalties, covenants, conditions and provisions therein contained.

The assignors for themselves their executors, administrators and assigns, hereby covenant with the said assignee for itself, its executors, administrators and assigns, that the covenants and agreements in said mining lease contained on the part of the lessee to be observed and performed have been up to the date hereof duly observed and performed, and that the said assigned premises are now free and clear of all liens and encumbrances, grants, leases, taxes and assignments whatsoever, made or suffered by said lessee.

The assignee for itself, its executors, administrators and assigns, covenants with the said assignors their executors, administrators and assigns, that the said assignee, its executors, administrators and assigns will during the residue of said term of 8 months ~~years~~ pay the rents or royalties reserved by, and perform the covenants contained in the mining lease therein assigned and will at all times hereafter indemnify the said assignors, their executors, administrators and assigns from and against the non-payment of the rents or royalties and the non-performance of the said covenants or any of them.

WITNESS our hand and seal this 4th day of May, A. D. 19 52

Walter W. Bentley
W.H. Green
Carl H. Peterson

CONSENT TO ASSIGNMENT

Carl H. Peterson, Lessor named in the mining lease referred to and assigned in the above written assignment, hereby consents to the assignment of said mining lease.

Lessor.

[illegible] AGREEMENT

[illegible]:

WHEREAS, the undersigned is the owner in leases and purchase agreements of that certain parcel of ground in the County of San Juan, State of Colorado described in a certain Exploration Project contracted dated _____ between Baltic Bay Mines Inc., a Colorado corporation, the lessee of said property, and the United States of America:

NOW, [illegible], the undersigned, as lessee of said property under leases dated September 11, 1950, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of American under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

DATED this 4th day of May 1951.

[illegible]

By Carl H. Peterson

Carl H. Peterson, Secretary

No. 90B. MINING LEASE AND OPTION—Short Form.
—The Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1824 Stout St., Denver, Colo.

THIS INDENTURE, Made this 11th day of September in the year of our Lord one thousand nine hundred and Fifty between FRANK L. ROSS

of the first part, and WALTER W. BENTLEY, W. R. GREEN, CARL H. PETERSON

of the second part, WITNESSETH, that the said party of the first part, for and in consideration of the rents, covenants and agreements hereinafter expressed to be paid, kept and performed by the said parties of the second part, has leased, let and demised, and by these presents does lease, let and demise unto the said parties of the second part, the following described premises, situate, lying and being in Red Mountain Mining District, in the County of San Juan and State of Colorado, to-wit: All of his interests (being seven and one-half percent of net production) from, of and in the Dawn of Day Lode Mining Claim, U.S. Sur. No. 18636; Camp Bird Lode Mining Claim, U.S. Sur. No. 18636; Dry Gulch Lode Mining Claim, U.S. Sur. No. 18636; Last Chance Lode Mining Claim, U.S. Sur. No. 18636; Little Maud Lode Mining Claim, U.S. Sur. No. 18636; Little Mack Lode Mining Claim, U.S. Sur. No. 18636; Minnesota Lode Mining Claim, U.S. Sur. No. 18636; Ohio Lode Mining Claim, U.S. Sur. No. 18636; Sunshine Lode Mining Claim, U.S. Sur. No. 18636; Gold Dollar Lode Mining Claim, U.S. Sur. No. 18636; Galtie Boy Lode Mining Claim, U.S. Sur. No. 18636; Boycotter Lode Mining Claim, U.S. Sur. No.18950; Boycotter Extension Lode Mining Claim, U.S. Sur. No. 18950; Cement Creek Lode Mining Claim, U.S. Sur. No. 18945; Del Mino Lode Mining Claim, U.S. Sur. No. 18950; Gold Standard Lode Mining Claim, U.S. Sur. No. 18950; J.C. Bell Lode Mining Claim, U.S. Sur. No. 18950; Keystone, Mill, Sibley and Wetzel Lode Mining Claims, all U.S. Sur. No. 18950; K & G. No. 1 and K. & G. No. 2 Placer Claims, U.S. Sur. No. 14300 and Prospect Gulc Placer Mining Claim, U.S. Sur. No.18949.

TO HAVE AND TO HOLD THE SAME, for the purpose of mining, for the term of Sixteen Months, or until January 1st, 1952; with annual extension, as hereinafter provided. From the date hereof, unless sooner terminated under any of the provisions herein contained, with no power to assign this lease or any interest thereunder, or to sublet the whole or any part of said premises except upon the written consent of the party of the first part except parties of second part may transfer to a suitable corporation for operational purposes.

And the said parties of the second part, for and in consideration of the leasing of said premises, covenant and agree with said party of the first part to commence work on said premises within a reasonable time and thereafter to work the same continuously, in a thorough and workmanlike manner, employing ~~[illegible]~~ some men underground,

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and working at least.....see terms below.....shifts each calendar month; to keep the same securely timbered, drained and clear of loose rock and rubbish; to keep accurate accounts, and to render ...semi-annual...statements to the said part..y..... of the first part, ...his.....agent or attorney, showing the amount and character of work done, and to pay to said part...y..... of the first part, ..his..... agent or attorney, as rental for said premises royalty upon all ore taken and sold therefrom as follows, to-wit: Seven and one-half percent of all net smelter, mill, mint and sales returns for all ores and mineral produced and sold from said properties, payments to be made by purchasers direct to the party of the first part, from time to time, as sales are made.

And it is expressly understood and agreed by and between the parties hereto, that the said part..y..... of the first part reserves the property and right of property in and to all ores extracted from said premises during the term hereof, and that all settlements for royalty shall be made upon the assay value of the mineral in the ore that may be taken from said premises less the actual cost of railroad transportation and treatment; and the sampling works, mill, smelter, or ore buyer purchasing any such ore shall retain the amount of the royalty herein stated and shall pay the same to the part..y..... of the first part at each settlement for ore purchased.

And the said part..ies..of the second part furthermore covenant..... and agree.....that the said part..y.... of the first part...his.....agent or attorney, shall have the right at any and all times to enter upon and descend into any and all parts of said premises to inspect the same, make surveys thereof, or take samples therefrom, and that the said part..ies.. of the second part will render to...them..... all the assistance in.....their.....power in so doing. And the said part..ies.. of the second part furthermore covenant..... and agree..... to occupy and hold all side veins, spurs, feeders, cross-lodes, parallel lodes, or mineral deposits of any kind which may be discovered by the said part..ies.. of the second part or by any person working under...them or.....in any manner, by working within or from the aforesaid premises, as the property of the said part..y..... of the first part and as part of the premises demised, and to not allow any person not in privity with the parties hereto to take or hold possession of said premises or any part thereof under any pretense whatever, and to pay in due season all taxes and assessments levied against said demised premises on account of the production of ore under this lease.

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And the said parties of the second part furthermore covenant..... and agree..... that in case they fail..... in any respect to keep and fulfill any one or more of the covenants or agreements herein expressed or implied, then, and in that case it shall be lawful for the said party..... of the first part, his..... agent or attorney, to declare said term ended, and with or without process of law to enter upon and take possession of said premises, and in such case, and also at the expiration of this lease by limitation, said parties of the second part agree..... to surrender, yield and deliver to said party..... of the first part quiet and peaceable possession of said premises in good condition, and that time shall be of the essence hereof, and that all of the covenants and agreements herein contained shall extend to and be binding upon the heirs, executors, administrators, successors and lawful assigns of the respective parties hereto.

If payments received by party of first part, either from royalties or in cash, amount to $1200.00 or over, this Lease and the Option to Buy shall be extended from January 1st, 1952, for an additional one year period, and thereafter annually if $1200.00 or more is received by party of first part an extension of one year in time is permitted, until such time as parties of second part may desire to terminate the option by paying the balance due and receiving a Deed.

And in consideration of the parties of the second part having fully complied with all of the terms and provisions hereof, the said parties of the second part is hereby given the right to purchase said property for the sum of Twenty-five Thousand and no/100 .....Dollars, payable as follows by applying the royalties and payments herein provided for aspart of such purchase price, ...and all royalties that are received by the party..... of the first part hereunder are to be applied upon the said purchase price and upon payment in full, the party..... of the first part will make, execute, acknowledge and deliver a good and sufficient.....deed..... conveying said property to the parties of the second part, free and clear of all encumbrances except taxes .....as shown by abstracts of title therefor to be furnished by the party..... of the first part to the parties of the second part. In the event that this lease be forfeited, surrendered or terminated for any cause, the right to purchase shall thereafter cease and if the parties of the second part does not make payment as hereinbefore mentioned at or before the time when the same ought to be made according to the terms hereof, the party..... of the first part may at any time after such failure to pay declare this lease and option forfeited and terminated and shall have the right to retain any and all payments that may be made hereunder as liquidated damages.

IN WITNESS WHEREOF, The parties hereto have executed these presents the day and year first above written.

Frank L. Ross .....[SEAL]
Frank L. Ross

.....[SEAL]

Walter W. Bentley .....[SEAL]
Walter W. Bentley

W. R. Green .....[SEAL]
W. R. Green

Carl H. Peterson .....[SEAL]
Carl H. Peterson

.....[SEAL]

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No. 90B. MINING LEASE AND [illegible]ION—Short Form.
—The Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1824 Stout St., Denver, Colo.

THIS INDENTURE, Made this 11th day of [illegible] in the year of our Lord one thousand nine hundred and [illegible]
between [illegible] Mason
of the first part, and [illegible]
of the second part, WITNESSETH, that the said party of the first part, for and in consideration of the rents, covenants and agreements hereinafter expressed to be paid, kept and performed by the said parties of the second part, has leased, let and demised, and by these presents does lease, let and demise unto the said parties of the second part, the following described premises, situate, lying and being in [illegible] Mining District, in the County of San Juan and State of Colorado, to-wit: All of her right, title and interest in and to the [illegible] of Jay Lode Mining Claim, U.S. Sur. No. 10030; Jerry Bird Lode Mining Claim, U.S. Sur. No. 10030; Jay Gatch Lode Mining Claim, U.S. Sur. No. 10030; Last Chance Lode Mining Claim, U.S. Sur. No. 10030; Little Maud Lode Mining Claim, U.S. Sur. No. 10030; Little Joe Lode Mining Claim, U.S. Sur. No. 10030; [illegible] Lode Mining Claim, U.S. Sur. No. 10030; [illegible] Lode Mining Claim, U.S. Sur. No. 10030; Moonline Lode Mining Claim, U.S. Sur. No. 10030; Gold Dollar Lode Mining Claim, U.S. Sur. No. 10030; [illegible] Lode Mining Claim, U.S. Sur. No. 10030; Keystoter Lode Mining Claim, U.S. Sur. No. 10030; Keystoter Extension Lode Mining Claim, U.S. Sur. No. 10030; [illegible] Lode Mining Claim, U.S. Sur. No. 10030; Del Mine Lode Mining Claim, U.S. Sur. No. 10030; [illegible] Lode Mining Claim, U.S. Sur. No. 10030; [illegible] Lode Mining Claim, U.S. Sur. No. 10030; Keystone, Will, [illegible] and [illegible] Lode Mining Claims, all U.S. Sur. No. 10030; [illegible] No. 1 and [illegible] No. 2 Placer Claim, U.S. Sur. No. 10030; and Prospect [illegible] Lode Mining Claim, U.S. Sur. No. 10030.

TO HAVE AND TO HOLD THE SAME, for the purpose of mining, for the term of lifetime [illegible] or until January 1st, 1[illegible]; with annual extensions as [illegible] provided, from the date hereof, unless sooner terminated under any of the provisions herein contained, with no power to assign this lease or any interest thereunder, or to sublet the whole or any part of said premises except upon the written consent of the party of the first part except parties of the second part; any transfer to a corporation for operational purposes.

And the said party of the second part, for and in consideration of the leasing of said premises, covenant and agree with said party of the first part to commence work on said premises within a reasonable time and thereafter to work the same continuously, in a thorough and workmanlike manner, employing at least [illegible] men underground,

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and working at least see terms below shifts each calendar month; to keep the same securely timbered, drained and clear of loose rock and rubbish; to keep accurate accounts, and to render semi-annual statements to the said party of the first part, her agent or attorney, showing the amount and character of work done, and to pay to said party of the first part, or agent or attorney, as rental for said premises royalty upon all ore taken and sold therefrom as follows, to-wit: One and one-half per cent, or $500.00, or all not smelter, mill, mint and sales return from all ores and mineral produced and sold from said properties, payments to be made by purchasers direct to the party of first part, from time to time, as sales are made.

And it is expressly understood and agreed by and between the parties hereto, that the said party of the first part reserves the property and right of property in and to all ores extracted from said premises during the term hereof, and that all settlements for royalty shall be made upon the assay value of the mineral in the ore that may be taken from said premises less the actual cost of railroad transportation and treatment; and the sampling works, mill, smelter, or ore buyer purchasing any such ore shall retain the amount of the royalty herein stated and shall pay the same to the party of the first part at each settlement for ore purchased.

And the said parties of the second part furthermore covenant and agree that the said party of the first part her agent or attorney, shall have the right at any and all times to enter upon and descend into any and all parts of said premises to inspect the same, make surveys thereof, or take samples therefrom, and that the said parties of the second part will render to them all the assistance in their power in so doing. And the said parties of the second part furthermore covenant and agree to occupy and hold all side veins, spurs, feeders, cross-lodes, parallel lodes, or mineral deposits of any kind which may be discovered by the said parties of the second part or by any person working under or in any manner, by working within or from the aforesaid premises, as the property of the said party of the first part and as part of the premises demised, and to not allow any person not in privity with the parties hereto to take or hold possession of said premises or any part thereof under any pretense whatever, and to pay in due season all taxes and assessments levied against said demised premises on account of the production of ore under this lease.

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And the said part**ies** of the second part furthermore covenant..... and agree..... that in case **they** fail..... in any respect to keep and fulfill any one or more of the covenants or agreements herein expressed or implied, then, and in that case it shall be lawful for the said part**y**... of the first part, ...**her**..... agent or attorney, to declare said term ended, and with or without process of law to enter upon and take possession of said premises, and in such case, and also at the expiration of this lease by limitation, said par**ties** of the second part agree..... to surrender, yield and deliver to said part...**y** of the first part quiet and peaceable possession of said premises in good condition, and that time shall be of the essence hereof, and that all of the covenants and agreements herein contained shall extend to and be binding upon the heirs, executors, administrators, successors and lawful assigns of the respective parties hereto.

If payments received by party of first part during 1951, either from royalties or in cash, amount to $500.00 or over, this Lease and the Option to Buy shall be extended from January 1st, 1952, for an additional year, and thereafter annually if $500.00 or more is received by party of the first part, an extension of one year in time is permitted, until such time as parties of the second part may desire to terminate the option by paying the balance due and receiving a mining Deed.

And in consideration of the part**ies** of the second part having fully complied with all of the terms and provisions hereof, the said part**ies** of the second part is hereby given the right to purchase said property for the sum of.....Five Thousand and no/100.....

.....Dollars, payable as follows...by applying the royalties and payments hereinbefore provided for as a part of such purchase price

.....and all royalties that are received by the part**y**... of the first part hereunder are to be applied upon the said purchase price and upon payment in full, the part**y**... of the first part will make, execute, acknowledge and deliver a good and sufficient.....

.....deed..... conveying said property to the part**ies** of the second part, free and clear of all encumbrances except.....**taxes**.....

.....

.....as shown by abstracts of title therefor to be furnished by the part**y**... of the first part to the part**ies** of the second part. In the event that this lease be forfeited, surrendered or terminated for any cause, the right to purchase shall thereafter cease and if the part**ies** of the second part does not make payment as hereinbefore mentioned at or before the time when the same ought to be made according to the terms hereof, the part**y**... of the first part may at any time after such failure to pay declare this lease and option forfeited and terminated and shall have the right to retain any and all payments that may be made hereunder as liquidated damages.

IN WITNESS WHEREOF, The parties hereto have executed these presents the day and year first above written.

Mrs. E. M. Bacon
Mrs. E. M. Bacon,
Party of the first part.

Walter W. Bentley .....[SEAL]
Walter W. Bentley

.....[SEAL]

.....[SEAL]

W. R. Green .....[SEAL]
W. R. Green

.....[SEAL]

Carl H. Peterson .....[SEAL]
Carl H. Peterson

PARTIES OF THE SECOND PART.

3

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8-

ESTABLISHED 1892

The Central Bank & Trust Company

ELWOOD M. BROOKS, PRESIDENT

Denver 1, Colorado

December 5, 1950

U. S. Oil & Development Corporation
211 Mercantile Building
Denver, Colorado

Attention: Mr. Carl Peterson, Secretary

Dear Mr. Peterson:

This is to advise that we do not make loans in connection with mining properties, and therefore cannot consider your application for a loan on the Golty property.

Yours very truly,

C. M. Good
Executive Vice President

CMG/VG

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2 - 1

FRANK L. ROSS
ATTORNEY AND COUNSELOR AT LAW
3516 ST. PAUL STREET
DENVER, COLORADO

1941 TUNGSTEN SHIPMENTS FROM THE GALTIE BOY GROUP.

1941	Wt.	Assay	Acid	Price	Returns	
Sept. 5,	1152.5 lbs	57.20% -	659.58	@ $1.35 -	$890.43	
	248.5 "	" 45.29 -	112.79 "	" 1.27	143.81	
					1034.23	
	Royalty,	$890.43	@ 10%	$ 89.04		
		143.81	" 15%	21.57		110.61
Oct. 6,	284 "	" 36.59 -	103.91 "	" .977-	101.52	
	787 "	" 62.07 -	488.49 "	" 1.175-	573.97	
					675.49	
	Royalty,	To Ross,		36.30		36.30
		To Rutheford,		36.30		
Nov. 1,	717.0 "	" 58.52 -	425.73 "	" 1.12 -	476.82	
	Royalty,	To Ross,		23.84		23.84
		To Rutheford,		23.84		
Nov. 7,	538 "	" 62.40 -	322.91 "	" 1.15 -	601.35	
	Royalty,	To Ross		45.10		45.10
		To Rutheford,		15.03		
	407 "	" 59.56 -	242.25 59.56 "	" 1.12 -	270.59	
	Royalty,	To Ross,		20.29		20.29
		To Rutheford,		6.76		
Dec. 6,	116 "	" 57.52 -	66.72 "	" 1.05 -		
			(72.72 less 5. Samplin			
			leaving net		67.72	
	Royalty,	To Ross,		3.38		3.38
		To Rutheford,		3.38		
						239.52
		To Rutheford,		15.31		

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GEORGE H. TEAL
MINING ENGINEER - GEOLOGIST
BOULDER, COLORADO

Page 37

October 3, 1941

[illegible]

[illegible]

[illegible] - [illegible]
[illegible] W. O. Williams.

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]					[illegible]	[illegible]	
Lot # 95								
C-478	213#	2#	284#	38.59%	108.91	7.1255	# 17.[illegible]	# 121.[illegible]

Results [illegible] W. L. Ross - 7.5% - # 7.41

Lot # 98

-595	791#	4#	795#	62.07%	495.49	24.4215	# 21.[illegible]	# 516.[illegible]

Results [illegible] W. L. Ross - 5% - # 21.[illegible]

[illegible]

Lot # 95 - # 7.41
Lot # 98 - # 21.[illegible]
28.80

GOLD, SILVER AND TUNGSTEN, INC.

BUYER OF TUNGSTEN ORES

BOULDER, COLORADO

PHONE 2171

PURCHASER

PERBERITE, HUBNERITE SCHEELITE AND WOLFRAMITE

No._____

Shipped By [illegible] Vendor

SETTLEMENT SHEET

[illegible] Residence of Vendor

[illegible] 19____

Date of Sale

SHIPPED FROM Source from which vendor obtained same	LOT NO.	GROSS WEIGHT	Per Cent Moisture	NET WEIGHT	ASSAY	TUNGSTIC ACID	PRICE PER LB.	GROSS VALUE	SAMPLING AND ASSAY	NET VALUE
Minnesota	[illegible]	[illegible]	2	[illegible]	[illegible]	522.91	1.15	[illegible]		
						[illegible]	[illegible]	[illegible]		
								555.25		
					21.	Jack Rutherford		13.03		
								541.22		

The above MEMORANDUM OF SALE contains a true statement of 1—the date of sale; 2—residence of vendor; 3—the nature and amount of the article sold; 4—the source from which the vendor obtained same; and 5—the consideration actually paid; receipt of which, in full, as shown by the "Net Value" above, is hereby acknowledged.

_____

_____

VENDOR

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GOLD, SILVER AND TUNGSTEN, INC.

BUYER OF TUNGSTEN ORES

BOULDER, COLORADO

PHONE 2171

PURCHASER

FERBERITE, HUBNERITE
SCHEELITE AND WOLFRAMITE

No.- _____

Shipped By Harold Williams, Vendor

SETTLEMENT SHEET

Nederland, Colo. Residence of Vendor

Nov. 1, 1941 19____
Date of Sale

SHIPPED FROM Source from which vendor obtained same	LOT NO.	GROSS WEIGHT	Per Cent Moisture	NET WEIGHT	ASSAY	TUNGSTIC ACID	PRICE PER LB.	GROSS VALUE	SAMPLING AND ASSAY	NET VALUE
Ohio	U-2567	734.5	1%	727.5	58.52	425.73	1.12	476.82		
						5% H. L.	Ross	23.84		
								452.98		
						5% Jack Rutherford		23.84		
								429.14		

The above MEMORANDUM OF SALE contains a true statement of 1—the date of sale; 2—residence of vendor; 3—the nature and amount of the article sold; 4—the source from which the vendor obtained same; and 5—the consideration actually paid; receipt of which, in full, as shown by the "Net Value" above, is hereby acknowledged.

_____

_____
VENDOR

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GOLD, SILVER AND TUNGSTEN, INC.

BOULDER, COLORADO

PHONE 2171

PURCHASER

FERBERITE, HUENERITE
SCHEELITE AND WOLFRAMITE

No. _____

Date of Sale _____ 19____

BUYER OF TUNGSTEN ORES

SETTLEMENT SHEET

Shipped By _____ Vendor

Residence of Vendor

SHIPPED FROM Source from which vendor obtained same	LOT NO.	GROSS WEIGHT	Per Cent Moisture	NET WEIGHT	ASSAY	TUNGSTIC ACID	PRICE PER LB.	GROSS VALUE	SAMPLING AND ASSAY	NET VALUE
[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	1.12	$70.56		
				[illegible]				Price $50.30		
								6.76		
								$43.54		

The above MINIMUM OF SALE contains a true statement of 1—the date of sale; 2—the residence of vendor; 3—the source from which the vendor obtained same; and 4—the source from which the vendor obtained same; and 5—the amount of money paid for the ore, in full, as shown by the Value of ores is hereby acknowledged.

VENDOR

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GOLD, SILVER AND TUNGSTEN, INC.

BUYER OF TUNGSTEN ORES

BOULDER, COLORADO

PHONE 2171

PURCHASER

FERBERITE, HUBNERITE
SCHEELITE AND WOLFRAMITE

No._____

Shipped By [illegible] Vendor

SETTLEMENT SHEET

Nederland, Colo. Residence of Vendor

[illegible] 1, 19[illegible] 19____
Date of Sale

SHIPPED FROM Source from which vendor obtained same	LOT NO.	GROSS WEIGHT	Per Cent Moisture	NET WEIGHT	ASSAY	TUNGSTIC ACID	PRICE PER LB.	GROSS VALUE	SAMPLING AND ASSAY	NET VALUE
Ohio	[illegible]	117	14	11[illegible]	57.[illegible]	[illegible]	1.09	[illegible].72	[illegible]	67.72
							Royalty Frank [illegible]			3.38
										64.34
							Jack Rutherford			3.38
										60.96

The above MEMORANDUM OF SALE contains a true statement of 1—the date of sale; 2—residence of vendor; 3—the nature and amount of the article sold; 4—the source from which the vendor obtained same; and 5—the consideration actually paid; receipt of which, in full, as shown by the "Net Value" above, is hereby acknowledged.

_____

_____
VENDOR

2-1

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Following are copies of Returns from two shipments of Tungsten ores, and one assay of sample, from GOLD GULCH MINES:

GOLD, SILVER AND TUNGSTEN, INC.

BOULDER, COLORADO
PHONE 2171
PURCHASER

BUYER OF TUNGSTEN ORES

PERBERITE, HUBNERITE
SCHEELITE AND WOLFRAMITE

No.

Shipped By Jim Putnell Vendor

Silverton, Colorado Residence of Vendor

SETTLEMENT SHEET

September 5, 1935 19
Date of Sale

SHIPPED FROM Source from which vendor obtained same	LOT NO.	GROSS WEIGHT	Per Cent Moisture	NET WEIGHT	ASSAY	TUNGSTIC ACID	PRICE PER LB.	GROSS VALUE	SAMPLING AND ASSAY	HAULING	NET VALUE
Gulty Bay	M.755	796	1%	788	33.38	266.97	.455	121.47	=	$304	
Gulty Bay	N-756	6696	5%	6653	9.97	653.33	.354	231.28		10 "	"
								352.75			
				15% Royalty Frank Roes				52.91			
								300.84			

ROOT & NORTON, Assayers and Chemists

1139 Main Ave., Durango, Colorado

TELEPHONE 36-J
P. O. BOX 301

THE ASSAY MAN

Umpire and Control Work
Ore Shippers' Agents

CERTIFICATE OF ASSAY

Assayed for Jim Snider, Silverton. Gold @ per oz. Silver @ per oz.

NO.	DESCRIPTION	OZS. PER TON 2000 LBS. GOLD	SILVER	PER CENT LEAD (WET)	PER CENT COPPER (WET)	PER CENT ZINC	PER CENT INSOLUBLE	PER CENT IRON	PER CENT TUNGSTEN	PER CENT LIME	VALUE $ PER TON
	Crude tungsten							18.20	WO_3		

Durango, Colorado Nov. 30th, 1934.
Charges $3.00

Root & Norton
Assayers

[illegible]

ABSTRACT:

[illegible]

Extracts from

REPORT

of

J. E. BAXTER, M. E.

Mr. W. W. Zimmerman,

Have visited the San Juan Mining District, and examined the operations and properties of the Ross Mining & Milling Company. . . .

The Silverton Smelter, which the Company is operating . . . . . .

The gold properties at Dry Gulch, on Cement Creek, about a mile below Gladstone, were inspected and there is undoubtedly the makings of a large milling proposition there.

Several strong prominent veins have been opened up at various places and sufficient development work completed to furnish a tonnage to run a mill for several years. Additional tonnage can be secured by extending the tunnels as ores are extracted from the ore bodies now opened up. . . .

The mineral contents are about the same as the operating properties of the District, such as the Gold King, Sunnyside and Telluride properties. The ores should run from $10.00 to $15.00 per ton, of which gold is the predominate value. . .

With depth the other metals may increase but

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Extracts from

REPORT

of

LOUIS F. SCHDANTK, M. E.

To

Mr. Timothy Hoan, President.

Pursuant to your instructions, we have made an examination and sampled the veins and workings of the Galtie Boy, Leslie and Wetzel Mines. . . Attached you will find plats, maps and assay results, to show the results obtained . . .

The two main purposes were to estimate the tonnage of mill ores available, with its probable value as mined and extracted in mill quantities . . . .

As I am advised, the Pittsburgh Office and yourself have requested the Silverton Office for information on three points,

1st, Have tonnages enough been developed to justify or require the building of a mill;

2nd, What is the average values of the ores, and

3rd, The kind and size of such a mill, if one should be provided.

The first two questions only were referred to me for consideration, and while this report may necessarily refer to other mills and milling methods, such references are only for purpose of comparison of values required, tonnages needed and usual requirements for milling operations, . . . in this district.

The property consists of three groups of mining

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claims, the Baltic Boy, the Leslie and the Wetzel groups, consisting of . . . on the easterly slope of the mountain, mostly in the Dry Gulch drainage side of the mountain, extending over into the Prospect Gulch slopes and crossing the Cement Creek valley, in San Juan County, Colorado.

The properties are in the Cement Basin, across the Gulch and on opposite mountain from the Gold King Mine, with the Sunnyside Mine just across the ridge or top of Bonita Mountain in the adjoining Basin. In Cement Basin are the Big Colorado, Grand Mogul, Queen Anne and other mines, which with the Gold King and Sunnyside enable a study of comparative geology, for purposes of estimating permanency of the veins, ore occurences, steadiness of values and the expectancies of future ore development. The various mines are at different stages of development or operation, and a study of these other mines, coupled with a careful examination of the workings, geology and ores of the Baltic Boy, Leslie and Wetzel groups, all aid in determining what may be reasonably expected from future operations at your properties.

Generally speaking, the geology is practically the same in all these properties, as they are all true fissure veins, in the Silverton Series of Andecites, and probably the mineralization processes with ore depositions were all made in similar manner and at same geological periods. The veins may, and do, vary in widths, lengths, relative richness of ore lenses and many minor particulars, but in the main the characteristics are similar. . . .

The technical geology, as outlined in the Governmental Reports and by many engineers, need not be repeated in this report, as you are familar with it . . . .

Referring specifically to the properties in your groups, I would say there appears to be a localized volcanic disturbed area on the west side of Dry Gulch, somewhat similar in character to other volcanic areas in the Silverton Quadrangle in the near vicinity of some of the larger mining areas, and this disturbance undoubtedly has in part caused or affected the various veins that apparently radiate or cut through that section, probably giving those veins part of their values, especially the gold values which appear from the sampling.

Five large and many small veins cut through this area, varying in directions but all leading into the

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central part of Red Mountain. The most mineralized, or at least the most disturbed and shaken up part of the area is near the west ends of the Galtie Boy, Campbird, Last Chance and Minnesota claims. Probably here, or near this point, was the center of the local volcanic action, and the various veins may centralize there.

This localized volcanism is an encouraging feature, as similar areas are near the Sunnyside, Silver Lake, Camp Bird, in Savage Basin, and at other points in the San Juan Section where some of the larger producers have been found. . . . .

Five of the larger veins have been developed and our sampling and measurements were confined to the workings on these five veins, which are the Galtie Boy, Last Chance, Leslie, Boycotter and Wetzel. . . .

The GALTIE BOY Vein, which has received the most attention and been developed to a greater extent than the others, is the larger as well as the richer vein. It is a strong, continuous fissure, many places ten to fifteen feet in width, but usually five to six. Its ore should run from $14.00 to $26.00 and it could produce 100 tons per day with very little preparatory work. There is not much more that can be done in the way of development, as enough is already opened up to justify milling operations at least to the extent of determining whether it will mill successfully or not. If what is already developed should for any reason not produce satisfactory results, no good could be accomplished by opening additional tonnage.

The LAST CHANCE Vein, which crosses the Galtie Boy, is also on the Galtie Boy group, and is similar in character and mineralization. It is not quite as wide and possibly not as high in value, but it should produce [illegible] tonnage of ore running from $10.00 to $16.00

The LESLIE-OHIO Vein is a somewhat similar vein, probably four feet in average width, which also is opened up with workings sufficient to justify starting the production of mill tonnage. In addition to the gold and silver values, it carries hubnerite (tungsten) which has attracted some considerable attention to it. This will add an interesting feature to this property, and any mill should provide

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for concentrating and [illegible] from the other minerals. [illegible] to $15.00, with whatever [illegible] tional. . . .

The [illegible] vein [illegible], promising vein, and may prove to be the [illegible] producer future, but [illegible] than prove it [illegible] best developed [illegible] that tunnel is [illegible] probable [illegible] Gallie Log [illegible] in this tunnel.

The [illegible] the others, [illegible] probably be [illegible] group. [illegible] from the main vein itself [illegible] and par-allel [illegible] of quartz, [illegible] It is opened a [illegible] to produce [illegible] over, which [illegible] hundreds of [illegible]

There is [illegible] at Gulch Placer, [illegible] power is as nearby. [illegible] purposes, from Prospect Creek, [illegible]

[illegible] with the [illegible] lower world [illegible] status for handling the [illegible] [illegible] the "[illegible]" [illegible]

As to milling [illegible] examinations [illegible] have made, no reason for milling difficulties... The same methods of treatment used by the other properties of the district, especially at the Sunnyside Mine and the [illegible]

[illegible]

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of these various metals. . . . The Hubuerite (tungsten) should be also segregated and separated, so as to make a commercial product of it. . .

Milling methods used in the district vary greatly, and considerable experimental work is being carried on in an endeavor and with the expectation of increasing the percentage of saving, as well as secure the separation of the metals. . . into more commercial products. . . .

Conclusions:

The Galtie Boy, Leslie and Wetzel properties, and workings, will produce a sufficient tonnage of ore to operate a mill of from 150 to 200 tons per day.

We estimate there is a developed tonnage of over 250,000 tons, of an average value of $12.00 per ton or more.

At least 500,000 tons additional ore reserves can be secured by extending the lower tunnels of the Galtie Boy and Leslie properties, (Gold Dollar, Camp Bird and Dawn of Day Tunnels), and by extending the Wetzel Tunnel all veins will be cut at greater depth, adding more than 1,500,000 tons.

With this tonnage and these values available, a mill should be provided. . .

Further development work should be postponed until the mill is built, so production can carry future development as incidental to ore production. . .

Louis F. Shaefer,

Mining Engineer.

(NOTE: The oil flotation process was discovered several years after this report was prepared.)

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the first operations should give special attention to the gold. . . . The tungsten ores (ferberite) on the Lucile property are interesting and attractive. . .

A mill will be required, as there are not sufficient copper contents or mineral values to justify shipping the crude ores to your Smelter at Silverton. . . The lead contents would be lost at the pyritic furnace, so the lead concentrates would have to be shipped to some outside smelter, but there may be copper and iron content enough to produce a concentrate which would be valuable to the smelter operations. . . .

As to what the proper milling methods should be, is a matter which should be given considerable study. . . .

J. E. Baxter,

Mining Engineer.

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Extracts from a letter to the

San Juan Mining Company

by

W. L. Kinney, Mine Operator.

The formation of Treasure Mountain is the same general formation as the gold mining belt of San Juan County, San Miguel and Ouray Counties, consisting of volcanic breccia, [illegible] casing [illegible] The formation is [illegible] Gunnison and Gunnison Extension, [illegible] gold properties in this country [illegible].

Taking the property as a [illegible] water rights, situated as it is [illegible] in the [illegible] of the best mining properties in the country to-day. The San Juan Tunnel [illegible] at the apex of the mountain [illegible] both of at least 1000 feet, opening rich ore reserves. The history of all mines in San Juan County is that the ore gets better with depth. There is no question but that there will be [illegible] sufficient to keep up 1 C to [illegible] for many years to come. . . .

I would recommend the San Juan Tunnel [illegible] driven under all of the properties, that the lessees in the tunnel be [illegible] systematically. [illegible] every reason to believe that the property [illegible] one of the leading properties on the San Juan.

W. L. Kinney.

[illegible]

[illegible] Kinney was manager of the [illegible] of San Juan [illegible] for many years.

[illegible] report is interesting and quotes [illegible] reference to geology of district and its [illegible] ore tonnage and value at depth. The San Juan [illegible] near the Gold Gulch is similar geological formation.

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[illegible]

[illegible], 19[illegible]

Mr. [illegible] Kinney,
[illegible] Building,
[illegible], Colorado.

Dear Mr. Kinney:

Referring to [illegible] I wish to write a little [illegible].

The new strike [illegible] property is of vast importance [illegible] to you, because of [illegible] adjoining [illegible].

Approximately [illegible] feet [illegible] the [illegible] of [illegible] this greater [illegible] the [illegible] probable. [illegible] great values [illegible] on this [illegible] gold. [illegible] this [illegible] it [illegible] free gold [illegible] values found in the new development [illegible] the [illegible] decided to sink [illegible] lower levels and develop [illegible] apparently only touched [illegible] and [illegible] extend the [illegible] development to [illegible] owners [illegible] special importance [illegible] interests [illegible] adjoining [illegible] of [illegible] level [illegible] which wo[illegible] [illegible] and [illegible] proper [illegible] be benefi[illegible].

I firmly believe [illegible] and [illegible] may [illegible] will [illegible] conviction [illegible].

[illegible]

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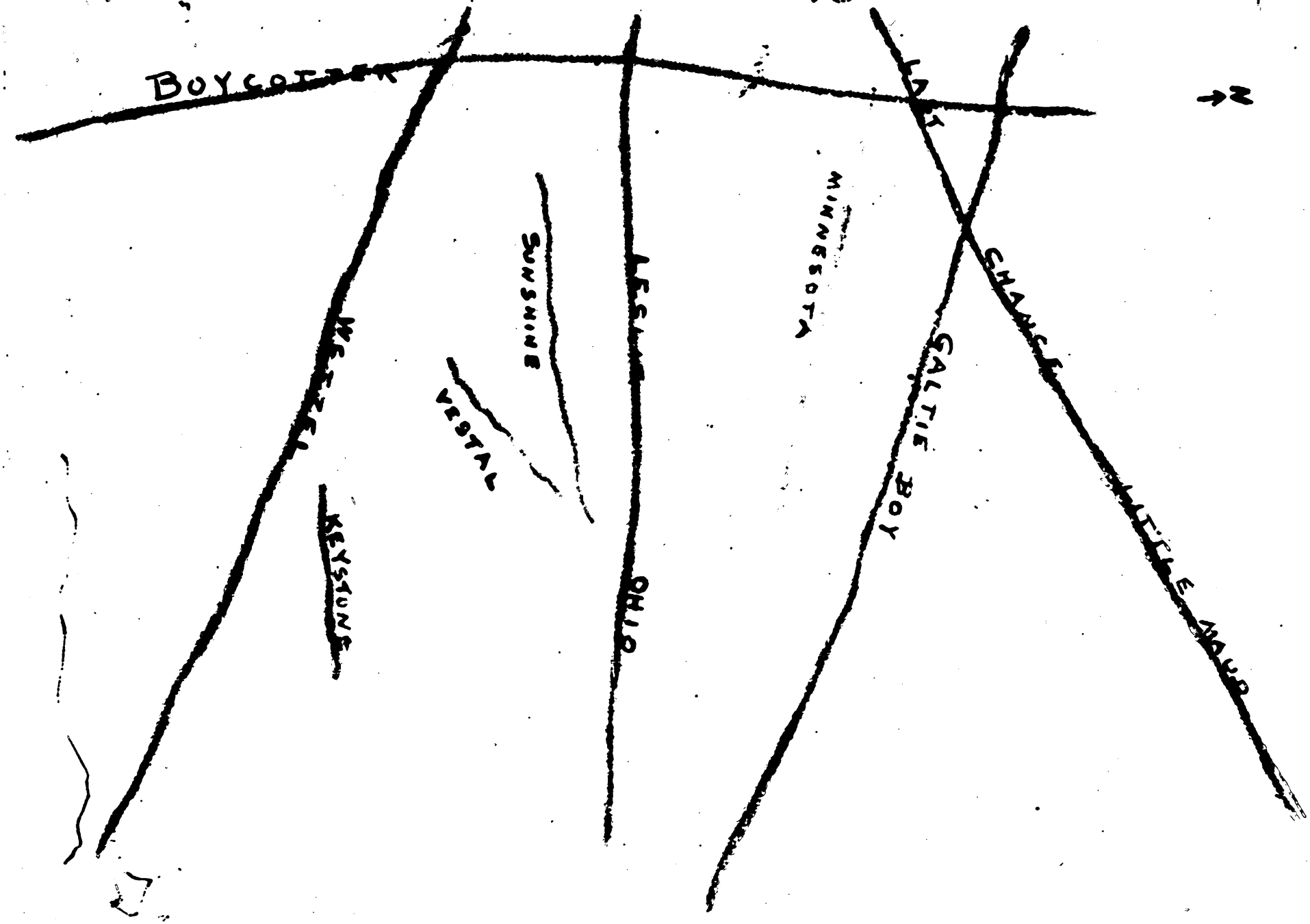

GOLD GULCH VEIN SYSTEM

TV

DN OPR OPR DN 235 BUR MIN CLG WA 310 BUR MINES OK

MV

WA

310 PLS MOK WASH DC 310 OK GA GA

DN 235 BUR MIN 5 EXXX T5 3 51 8 30

OTTO HERES BUR MINES

REURTELTYPE MAY 2 CARL PETERSON CLAUMS YOU INFORMED HIM IN WASGINGTON THAT HE WOUL D HAVE TO RESUBMIT DMA 363 GALTIE BOY BUT NOT DMA 606 HENRIETTAM. ALSO LATTER WOULD BE PROCESSED WITHOUT FIELD INVESTIGATION SINCE HE INDICATED WILLINGNESS AND ABILITY TO CONTRACT ON MATCHING FUND BASIS. ADVISE SI WE CAN GET IXXX ON WITH OTHER WORK.

P T ALLSMAN FOR J H EAST JR

END PLS ACK CL MSG RCD OK RT

file
wom

Olle Hexer

Rewteletype May 2-1951, Carl Peterson claims you informed Olin in Washington that he would have to resubmit DMA 363 Galveston Bay but not DMA 606 Hanniette. Also letter would be processed without field investigation since he indicated willingness and ability to contract a metallic fund bain. Advise if we are to proceed with investigation field investigation so we can get on with other work.

OTG

WASH DC BU MINES 310 5-2-51 3.55.PM

J. H. EAST JR.

~~Hamilton DMA 363~~

WE HAVE SEEN NO NEW APPLICATION SUBMITTED BY PETERSON ON DMA-606. IN VIEW OF POOR LXXX ORESEBTXXXX PRESENTAL OF FIRST APPLICATION WE SUGGEST HE MAKE NEW ALXXX APPLICATION ON EXPLORATION FORM MF-103 WHICH SHOULD EXPEDUXXXX EXPEDITE PROCESSING IF APPROVED.

OTTO HERRES, CHIEF LEAD-ZINC BRANCH

3.56PM

END MSG ACK PLS CW

MESS RECD OK LM

T E L E T Y P E

WASH DC BU MINES 310 5-2-51 3.55 PM

J H EAST JR

WE HAVE SEEN NO NEW APPLICATION SUBMITTED BY PETERSON ON DMA-606. IN VIEW OF POOR PRESENTAL OF FIRST APPLICATION WE SUGGEST HE MAKE NEW APPLICATION ON EXPLORATION FORM MF-103 WHICH SHOULD EXPEDITE PROCESSING IF APPROVED.

OTTO HERRES, CHIEF LEAD-ZINC BRANCH

T E L E T Y P E

WASH DC BU MINES 310 5-2-51 3.55 PM

J H EAST JR

WE HAVE SEEN NO NEW APPLICATION SUBMITTED BY PETERSON ON DMA-606. IN VIEW OF POOR PRESENTAL OF FIRST APPLICATION WE SUGGEST HE MAKE NEW APPLICATION ON EXPLORATION FORM MF-103 WHICH SHOULD EXPEDITE PROCESSING IF APPROVED.

OTTO HERRES, CHIEF LEAD-ZINC BRANCH

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

April 6, 1954

Celtic Boy [illegible]
Henrietta Mine [illegible]

Honorable [illegible] Johnson
Honorable [illegible] Millikin
United States Senate
Washington 25, D. C.

Dear Senators Johnson and Millikin:

Confirming the telephone conversation of Mr. Otto Herres, Chief [illegible] Branch, with your office, the applications of Celtic Boy, [illegible] and Henrietta Mine, [illegible] for Government assistance have been referred to Region IV Field Office, Mr. J. H. East, Jr., [illegible] New Customhouse Building, Denver 2, Colorado for further information and discussion with the applicant.

Mr. Earl Patterson, president of [illegible] Development Corporation, Denver, Colorado has been notified of the action taken.

In case I can be of further service at any time, please let me know.

Sincerely yours,

JAMES BOYD
Administrator

OHERRES:ks

cc: Administrator
Deputy Administrator
Mr. Strobel
Mr. Moon
2 copies Field Team Executive Officer, Mr. J. H. East, Jr.
Region IV, 224 New Customhouse Building, Denver 2, Colo.
Mr. Mote
Mr. McKnight
Mr. Herres
Files

DMA

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

April 2, 1951

Memorandum

To: Mr. Montag

From: Lead-Zinc Branch, D.M.A.

Subject: Access roads to the Galtie Boy, Henrietta, Lark, and adjacent mining property in San Juan County, Colo.

The attached copy of a letter of January 23, 1951, from C. H. Peterson, Secretary of the U. S. Oil and Development Corporation, mentions, on the second page, his desire to get an access road to the Galtie Boy and Henrietta Mines which the corporation hopes to open up soon. Applications are pending with the Defense Minerals Administration for exploration aid on these two projects and have been referred to the field team for further consideration. If the applicant is willing to participate in the exploration program and these two projects receive the approval of the field team, the access roads will be in order, but until these decisions are made it would appear that nothing need be done.

The applicant also mentions needed improvement of the portion of these access roads that lies between the county road and the Lark mine. To the best of our knowledge, the Lark mine was last worked in 1947. If the company is planning to reopen this mine, this portion of the access road should be eligible for Government aid at the present time. It is also mentioned that other properties tributary to this road will be opened up later. It is not evident as yet whether such development will be dependent upon Government aid or will proceed regardless of this aid.

We are forwarding a copy of the letter at this time for your information, in case the matter reaches you independently of this office.

Very truly yours,
Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

E. T. McKnight:emp
G 4/2/51 Copies to:
2 copies to J. H. East, Jr
Region IV
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA

Attachment

L. B. Moen
R. H. Mote
L. F. Strobel
C. O. Mittendorf
Files

ATE

REGIONAL DIRECTOR'S
OFFICE
REGION IV
APR 2 - 1951
BUREAU OF MINES
DENVER, COLORADO

J. H. East, Region IV

March 28, 1951

Re: Dockets DMA-363
DMA-606

Mr. Carl H. Peterson, Secretary
U.S. Oil & Development Corporation
Suite 205-11-16 Mercantile Building
Denver 2, Colorado

Dear Mr. Peterson:

This will acknowledge your letter of March 14 concerning reference of the dockets on the Galtie Boy and Henrietta mines to the field office.

Where an applicant has proven reserves of strategic materials, Federal aid in mining can be given through procurement contracts for such materials as are in short supply. On the strength of these contracts, the applicant can obtain private financing in most instances. At present, procurement contracts are being negotiated for tungsten, copper and zinc, but because the expected supply of lead is believed to be adequate to supply defense needs during the next few years, no specific program for lead procurement has been set up.

You report reserves of ore in both the Galtie Boy and Henrietta but the information dates from about 1907 and these reserves are not now accessible. These old reports give inadequate proof as to grade of base metals to warrant procurement contracts for copper, zinc, or tungsten. On the other hand, we believe the properties may warrant exploration programs to see if they contain mineable tonnages of base metals.

The program recently approved for encouragement of exploration of strategic materials calls for participation on the part of the applicant. For zinc, lead and copper deposits it will be necessary to match Government funds on an equal basis. The details of the plan, explaining the projects that will be eligible for assistance, the terms and schedules of financing, repayment, and other pertinent information, have not yet been released. However, at your request, we are forwarding the dockets on the Galtie Boy and Henrietta projects to Mr. J. H. East, Jr., Bureau of Mines, 224 New Customhouse, Denver 2, Colorado. Mr. East can discuss your projects with you, and you may be able to come to some general conclusion as to whether you are willing to provide your share of the funds needed to carry out the proposed exploration. Any modification of your original proposal that you may wish to make will be considered. Your original estimates may have

included some mining costs. Possibly you may be able to open up the mines under this exploration program at a cost somewhat less than these original estimates. Any ore revealed could be contracted for procurement by the Government which would qualify your company for a V loan.

As soon as the necessary instructions on the exploration program are available copies will be sent to Mr. East, and you should get in touch with him at that time.

Although exploration for tungsten will probably rate a higher percentage participation by the Government, occurrences of tungsten in the San Juan Mountains are so spotty as to make exploration for tungsten alone unwarranted. Hence, your projects will be governed by the rules for lead, zinc, and copper exploration. This does not rule out consideration of a minor project that you might present later for exploring the specific separate vein which is reported to carry the tungsten in the Galtie Boy.

I trust that the steps we have taken to forward your applications in advance of clarification of the exploration program will expedite development of your properties.

Very truly yours,

OTTO MARRAS, Chief
Lead-Zinc Branch

ETMcKnight:emp
G 3/28/51
Copies to: 2 copies to H. H. East
Region IV
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
L. B. Moon
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Files

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

REGIONAL DIRECTOR'S OFFICE
REGION IV
APR 2 - 1951
BUREAU OF MINES
DENVER, COLORADO

March 22, 1951

Memorandum

To: Executive Officer Field Team, Region IV
Through: Coordinating Committee and Director, Supply Division

From: Lead-Zinc Branch, D.M.A. Re: Docket DMA-363

Subject: Application of
U. S. Oil & Development Corporation
Walter W. Bentley, W. R. Green, Carl H. Peterson
205-11 Mercantile Building
Denver 2, Colorado
Galtie Boy Mine, San Juan County, Colorado

Commodity: Lead, zinc and tungsten

Review of subject docket reveals the following pertinent facts:

Mine has not been worked since 1907 except for periods in 1935 and 1941 when about 180 units of tungsten were produced from the Galtie Boy Dump.

Reserves claimed to have been developed prior to 1907 were 92,000 tons on the Galtie Boy vein and an additional 179,560 tons on other veins on the property. Data supplied with this application fail to give any suitable indication of the nature and grade of the reserves. A list of 56 samples taken from the Galtie Boy obviously in the early 1900's, gives 1-2.3% lead and 6.8-12.4 oz. silver. In all these samples the gold assays are given in decimals ranging from 0.49-0.71. It certainly would be nearer the truth if these are intended to represent dollar values rather than ounces. If not, the samples are obviously unrepresentative, according to W. S. Burbank of the Geological Survey. No zinc is mentioned in the application. Mr. Burbank believes that zinc content might be higher than lead in some of these shoots, but the specific ore bodies are not now accessible.

According to Mr. Burbank the ores of this general area are quartz veins commonly high in pyrite, with scattered bodies or chimney-like shoots of higher grade base metal sulfides with silver and gold. The ores are complex and may locally predominate in lead, zinc, copper, or tungsten. Tungsten reserves are not ordinarily mensurate, and applicant makes no specific proposal for mining tungsten which is

reported to come from a vein or veins separate from the Galtie Boy vein. However, in a later letter, copy of which is enclosed, he requests that this Galtie Boy application be taken from lead-zinc and placed under tungsten.

Applicant requests "exploration and mining loan" of $55,627 to rehabilitate mine, provide equipment, and pay all costs of placing the mine in production, including wages for 3 months, and manager's salary for 5 months.

Recommendation

It appears that this application, if it is considered in the Defense Minerals Administration program at all, will have to be considered under the exploration program, as no zinc ore is mentioned in the reserve estimates and the lead values listed are low. Mr. Burbank states that the reserves claimed are at present inaccessible, and that it will require the expenditures requested in order to open up the ore for inspection. The project appears worthy of consideration as a lead-zinc exploration, not on the basis of what is given in the application, which is very poorly presented, but on the basis of what is independently known of the mineral deposits of this general area.

If our information is correct that little can be seen on the ground, there appears to be no need for a field inspection at this time. If the applicant is willing to go along on sharing the expenses under the exploration program, there may be certain engineering phases of the proposal that might have to be investigated before the project is approved. The docket is forwarded in advance of release of the "ground rules" on the exploration program, on the assumption that the field office can orally explain enough of the exploration program to determine whether the applicant wants to proceed under this program. Application will warrant no further consideration if applicant does not want to put up his half of the expenses, though he may want to propose a modification of his original proposal.

Attached with docket is a review by W. S. Burbank; also a note from Dwight Lemmon stating that tungsten occurrences in San Juans are so spotty as to make exploration for tungsten alone unwarranted. The total project as presented does not rate the higher Government contribution for exploration allowed for tungsten, although conceivably a small sub-project might be set up to explore specifically the tungsten occurrence which is stated to be in a separate vein.

Approved:
DMA Coordinating Committee

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

Chairman

L. B. Moon

Olaf N. Rove.

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

March 22, 1951

Memorandum

To: Executive Officer Field Team, Region IV
Through: Coordinating Committee and
Director, Supply Division

From: Lead-Zinc Branch, D.M.A. Re: Docket DMA-363

Subject: Application of
U. S. Oil & Development Corporation
Walter W. Bentley, W. H. Green, Carl H. Peterson
205-11 Mercantile Building
Denver 2, Colorado
Galtie Boy Mine, San Juan County, Colorado

Commodity: Lead, zinc and tungsten

Review of subject docket reveals the following pertinent facts:

Mine has not been worked since 1907 except for periods in 1935 and 1941 when about 180 units of tungsten were produced from the Galtie Boy Dump.

Reserves claimed to have been developed prior to 1907 were 92,000 tons on the Galtie Boy vein and an additional 179,560 tons on other veins on the property. Data supplied with this application fail to give any suitable indication of the nature and grade of the reserves. A list of 56 samples taken from the Galtie Boy obviously in the early 1900's, gives 1-2.3% lead and 6.8-12.4 oz. silver. In all these samples the gold assays are given in decimals ranging from 0.49-0.71. It certainly would be nearer the truth if these are intended to represent dollar values rather than ounces. If not, the samples are obviously unrepresentative, according to W. S. Burbank of the Geological Survey. No zinc is mentioned in the application. Mr. Burbank believes that zinc content might be higher than lead in some of these shoots, but the specific ore bodies are not now accessible.

According to Mr. Burbank the ores of this general area are quartz veins commonly high in pyrite, with scattered bodies or chimney-like shoots of higher grade base metal sulfides with silver and gold. The ores are complex and may locally predominate in lead, zinc, copper, or tungsten. Tungsten reserves are not ordinarily measurable, and applicant makes no specific proposal for mining tungsten which is

ETMcKnight:emp G 3/22/51 Copies to: 2 copies to J.H. East
Region IV
Chief, Lead-Zinc Br.
McKnight 4204 GSA
L. B. Moon
R. H. Mote
L. F. Strobel
C. O. Mittendorf Files

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Applicant requests "exploration and mining loan" of $55,627 to rehabilitate mine, provide equipment, and pay all costs of placing the mine in production, including wages for 3 months, and manager's salary for 5 months.

Recommendation

It appears that this application, if it is considered in the Defense Minerals Administration program at all, will have to be considered under the exploration program, as no zinc ore is mentioned in the reserve estimates and the lead values listed are low. Mr. Burbank states that the reserves claimed are at present inaccessible, and that it will require the expenditures requested in order to open up the ore for inspection. The project appears worthy of consideration as a lead-zinc exploration, not on the basis of what is given in the application, which is very poorly presented, but on the basis of what is independently known of the mineral deposits of this general area.

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Attached with docket is a review by W. S. Burbank; also a note from Dwight Lemmon stating that tungsten occurrences in San Juans are so spotty as to make exploration for tungsten alone unwarranted. The total project as presented does not rate the higher Government contribution for exploration allowed for tungsten, although conceivably a small sub-project might be set up to explore specifically the tungsten occurrence which is stated to be in a separate vein.

Approved:
DMA Coordinating Committee

_____ Chairman

L. B. Moon

OTTO MERRES, Chief
Lead-Zinc Branch

Olar R. Reve.

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

March 22, 1951

Memorandum

To: Executive Officer Field Team, Region IV
Through: Coordinating Committee and
Director, Supply Division

From: Lead-Zinc Branch, D.M.A. Re: Docket DMA-363

Subject: Application of
S. G. Oil & Development Corporation
Walter R. Bentley, A. E. Green, Carl H. Peterson
205-11 Mercantile Building
Denver 2, Colorado
Celtic Boy Mine, San Juan County, Colorado

Commodity: Lead, zinc and tungsten

Review of subject docket reveals the following pertinent facts:

Mine has not been worked since 1907 except for periods in 1935 and 1941 when about 180 units of tungsten were produced from the Celtic Boy Dump.

Reserves claimed to have been developed prior to 1907 were 92,000 tons on the Celtic Boy vein and an additional 179,500 tons on other veins on the property. Data supplied with this application fail to give any suitable indication of the nature and grade of the reserves. A list of 56 samples taken from the Celtic Boy obviously in the early 1900's, gives 1-2.3% lead and 6.3-12.4 oz. silver. In all these samples the gold assays are given in decimals ranging from 0.49-0.71. It certainly would be nearer the truth if these are intended to represent dollar values rather than ounces. If not, the samples are obviously unrepresentative, according to R. S. Burbank of the Geological Survey. No zinc is mentioned in the application. Mr. Burbank believes that zinc content might be higher than lead in some of these shoots, but the specific ore bodies are not now accessible.

According to Mr. Burbank the ores of this general area are quartz veins commonly high in pyrite, with scattered bodies or chimney-like shoots of higher grade base metal sulfides with silver and gold. The ores are complex and may locally predominate in lead, zinc, copper, or tungsten. Tungsten reserves are not ordinarily measurable, and applicant makes no specific proposal for mining tungsten which is

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reported to come from a vein or veins separate from the Galtie Boy vein. However, in a later letter, copy of which is enclosed, he requests that this Galtie Boy application be taken from lead-zinc and placed under tungsten.

Applicant requests "exploration and mining loan" of $55,627 to rehabilitate mine, provide equipment, and pay all costs of placing the mine in production, including wages for 3 months, and manager's salary for 5 months.

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Approved:
DMA Coordinating Committee

_____ Chairman

_____ OTTO HERRES, Chief
Lead-Zinc Branch

L. B. Moon

_____ UNIT B. MOVE.

U.S. OIL & DEVELOPMENT CORPORATION

Producers of Oil, Lead & Zinc

Suite 205-11-16 Mercantile Building

Denver 2, Colorado

February 12, 1951.

REGIONAL DIRECTOR'S OFFICE REGION IV APR 2 - 1951 BUREAU OF MINES DENVER, COLORADO

COPY

Mr. James Boyd
Chief of Mineral Defense Administration,
U. S. Bureau of Mines,
Washington, D. C.

Dear Mr. Boyd:

In December 1950 an application for a loan was filed under the Defense Mineral Act through the U. S. Bureau of Mines for the Galtie Boy mine located 7-1/2 miles North of Silverton in San Juan County, Colorado, signed by Walter W. Bentley, W. R. Green and Carl H. Peterson.

We stated in this application that a Mr. Williams had a lease on one or two claims belonging to the Galtie Boy broup and was mining tungsten, and it was for that reason we were anxious to get in touch with Mr. Williams.

In the wonderful address you made on February 3rd, at the Mining Convention, you stated that Chrome, Tungsten and Manganese have been placed in a category by themselves and therefore the first priority as to loans. Knowing that we had a large amount of tungsten in the Galtie Boy group we immediately proceeded to locate Mr. Williams and we found Harold O. Williams and his partner H. E. Walby, who operated the Dawn of Day, which is one of the Galtie Boy group, in the summer of 1941. Both of these men tell us there is more tungsten in the Galtie Boy group of mines than in any property in Boulder County and they are very anxious to get a lease from us on several of these claims, on which they have already discovered tungsten. The reason they did not continue mining this tungsten from the Galtie Boy Group is because there was a change of ownership and the new owner asked a prohibitive royalty.

We are enclosing herewith copy of letter they wrote to us addressed to U.S. Oil & Development Corporation with which Bentley, Green and Peterson are associated. This letter is self explanatory.

We therefore ask that you kindly transfer this application from the Lead, Zinc and Copper Division, which we understand is priority #2, into the Chrome, Tungsten and Managanese division, which we understood from your address carries #1 priority.

Trusting this will have your immediate attention, we remain

Sincerely yours.

Walter W. Bentley
W. R. Green
/s/ Carl H. Peterson

Denver, Colorado
February 5, 1951

U.S. OIL & DEVELOPMENT CORPORATION,
205 Mercantile Building,
Denver, Colorado

C O P Y

Gentlemen:

We understand that you have a lease on the Galtie Boy group of mines at Silverton.

In 1941 we mined on the Dawn of Day mine during the summer taking out approximately $1500.00 of 60% tungsten concentrates. While we were working on the Dawn of Day we examined for tungsten ore in the Galtie Boy and found a vein some 18 inches wide in a rise 16 feet long.

We also examined on the Minnesota claim and it showed tungsten along the hanging wall. Some old fill and mill dirt prevented us making further examination.

We also examined on the Ohio claim and it has a showing of tungsten.

We would like to have a lease on the Dawn of Day, Minnesota and Ohio claims and would loke to have a refusal on some other claims you have which have tungsten ore on them, for at the present price we feel we can mine these properties at a good profit to us and also make some money for you.

Very truly yours,

/s/ _____
H. E. Walby,
General Delivery
Cripple Creek, Colorado

/s/ _____
H. C. Williams
2465 - 20th Street
Boulder, Colorado

U.S. OIL & DEVELOPMENT CORPORATION

Producers of Oil, Lead & Zinc

Suite 205-11-16 Mercantile Building

Denver 2, Colorado

February 12, 1951.

REGIONAL DIRECTOR'S OFFICE
REGION IV
APR 2 - 1951
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DENVER, COLORADO

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W. R. Green
/s/ Carl H. Peterson

Denver, Colorado
February 5, 1951

U.S. OIL & DEVELOPMENT CORPORATION,
205 Mercantile Building,
Denver, Colorado

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Very truly yours,

/s/ _____
H. E. Walby,
General Delivery
Cripple Creek, Colorado

/s/ _____
H. C. Williams
2465 - 20th Street
Boulder, Colorado

We presume that you received the original of this memorandum but without the dockets as it was detached from the memorandum. Just im case you didn't here is a copy of the memorandum which supposedly was sent without the dockets

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

March 22, 1951

Memorandum

To: Executive Officer Field Team, Region IV
Through: Coordinating Committee and
Director, Supply Division

From: Lead-Zinc Branch, D.M.A. RE: Docket DMA-363

Subject: Application of
U. S. Oil & Development Corporation
Walter W. Bentley, W. R. Green, Carl H. Peterson
205-11 Mercantile Building
Denver 2, Colorado
Galtie Boy Mine, San Juan County, Colorado

Commodity: Lead, zinc and tungsten

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Approved: DMA Coordinating Committee

Chairman

Otto Herres, Chief
Lead-Zinc Branch

L. B. Moon

Olaf N. Rove

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

March 28, 1951

Re: Dockets DMA-363
DMA-606

Mr. Carl H. Peterson, Secretary
U.S. Oil & Development Corporation
Suite 205-11-16 Mercantile Building
Denver 2, Colorado

Dear Mr. Peterson:

This will acknowledge your letter of March 14 concerning reference of the dockets on the Galtie Boy and Henrietta mines to the field office.

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The program recently approved for encouragement of exploration of strategic materials calls for participation on the part of the applicant. For zinc, lead and copper deposits it will be necessary to match Government funds on an equal basis. The details of the plan, explaining the projects that will be eligible for assistance, the terms and schedules of financing, repayment, and other pertinent information, have not yet been released. However, at your request, we are forwarding the dockets on the Galtie Boy and Henrietta projects to Mr. J. H. East, Jr., Bureau of Mines, 224 New Customhouse, Denver 2, Colorado. Mr. East can discuss your projects with you, and you may be able to come to some general conclusion as to whether you are willing to provide your share of the funds needed to carry out the proposed exploration. Any modification of your original proposal that you may wish to make will be considered. Your original estimates may have

included some mining costs. Possibly you may be able to open up the mines under this exploration program at a cost somewhat less than these original estimates. Any ore revealed could be contracted for procurement by the Government which would qualify your company for a V loan.

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I trust that the steps we have taken to forward your applications in advance of clarification of the exploration program will expedite development of your properties.

Very truly yours,

OTTO HERRES, Chief
Lead-Zinc Branch

ETMcKnight:emp
G 3/28/51

U. - access roads

DMA 3634 606

March 22, 1951

Mr. Carl H. Peterson
U. S. Oil & Development Corporation
Suite 205 Mercantile Building
Denver 2, Colorado

Dear Mr. Peterson:

We have been advised by the Defense Minerals Administration in Washington that Applications for Access Roads should be completed on the attached form DMA 105.

We are holding your application, dated February 26, pending the receipt of these forms in triplicate. We are forwarding you four copies of the form so that you may retain one copy for your files.

Sincerely yours,

J. H. East, Jr.

J. H. East, Jr.
Regional Director

wom

Enclosures

JHE/cl

cc-DMA files

March 22, 1951

Mr. Carl H. Peterson
U. S. Oil & Development Corporation
Suite 205 Mercantile Building
Denver 2, Colorado

Dear Mr. Peterson:

We have been advised by the Defense Minerals Administration in Washington that Applications for Access Roads should be completed on the attached form DMA 105.

We are holding your application, dated February 26, pending the receipt of these forms in triplicate. We are forwarding you four copies of the form so that you may retain one copy for your files.

Sincerely yours,

J. H. East, Jr.

J. H. East, Jr.
Regional Director

Enclosures

JHE/ol

cc-DMA files

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

REGIONAL DIRECTOR'S OFFICE REGION IV MAR 12 1951 BUREAU OF MINES DENVER, COLORADO

March 8, 1951

DMA 363

Mr. Carl H. Peterson
U. S. Oil & Development Corporation
Suite 205 Mercantile Building
Denver 2, Colorado

Dear Mr. Peterson:

Your letter addressed to Mr. James Boyd, dated February 12, has been referred to me for reply.

Your request for us to transfer your application DMA 363 to the Tungsten Branch will be called to the attention of that Branch.

As soon as the field office can arrange to make an inspection, your property probably will be examined in the field. At that time consideration will be given to the tungsten possibilities of the claims in your Galtie Boy group, as well as lead and zinc.

We trust that this arrangement will prove satisfactory to you.

Very truly yours,

OTTO HERRES

OTTO HERRES, Chief
Lead-Zinc Branch

O HERRES:ks

cc: Mr. Strobel
Mr. Mote
Mr. McKnight
Mr. Herres
Tungsten Branch
2 copies Executive Officer Field Team Region IV
Mr. J. H. East, Jr.
204 Customhouse , Denver, Colo.
Files

One copy to Hochmann

March 14, 1951.

Mr. Otto Herres,
Chief, Lead-Zinc Branch,
Defense Mineral Administration,
U.S. Department of Interior,
Washington 25, D.C.

RE: Galty Boy Mine, Docket No. DMA-363
Henrietta Mine, Docket No. DMA-606

Dear Mr. Herres:

We are grateful for your kind letter of March 8, 1951.

You state in this letter "as soon as the field office can arrange to make an inspection your property will probably be examined in the field". We inquired at the Bureau of Mines today and they have not as yet received either one of the above applications for field examination and, as we are very anxious to ascertain whether we are going to get any assistance or government help, we would like to have these applications returned to the U.S. Bureau of Mines in Denver as soon as possible for the field work so we may know whether our applications will be approved or rejected at as early a date as possible.

You perhaps don't remember the writer but I feel I know you because my son and your son-in-law have been buddies for 25 years. I am merely stating this to identify myself so you will remember our company as an operating company and not a promotion. If we can get a little lift from the government at this time it is our intention to put five mines in operation in Prospect Basin, San Juan County, during 1951 and 1952. From August 1945 to July 1, 1949, we were constant shippers from this territory and our Lark mine produced 26,000 tons of lead, zinc and copper crude ore. In fact we were the largest shippers of lead, zinc and copper crude ore from the State of Colorado to the International at Utah.

Perhaps you wonder why we need government help at this time, fortunately or unfortunately we brought in the Pine Mountain gas and oil field 27 miles West of Casper in Natrona County, Wyoming, in 1947 and 1948. The first two gas wells we brought in averaged 60,000,000 cubic feet. We built an 8 mile pipe line connecting with the Northern Utilities main line. While we built the pipe line we brought in two good oil wells but to our sorrow the oil was black and only 14 gravity. This could be used only for fuel oil so it put us in direct competition in price with the residue oils of the refiners. According to U.S.G.S., as well as our own analusis we had one of the sweetest gases in Wyoming. We got our line completed and turned our gas into the line but a short time thereafter the line froze up and we discovered that the gas had

developed enough moisture and sulpher to cause the freeze up so we could not sell the gas without putting in a desulpherizing and dehydrating plant and rather than do that we decided to sell the field, which we have done but we had to take 95% of the purchase price out in future oil payments. Anyway we have had enough of the oil business and we are going back into the mining business which business we think we know. So if you will kindly see to it that these applications are expedited as much as possible so the field work can be done, as soon as possible, as you know the conditions w in San Juan County. The seasons are short and although we have snow equipment to keep us operating all year round we must be in operation before the snow starts this fall in order to be able to keep the roads open.

Very truly yours,

U.S. OIL & DEVELOPMENT CORPORATION

By_____
Carl H. Peterson, Secretary

CHP:w

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
Washington 25, D. C.

March 8 1951

My Dear Mr. Peterson:

This is in reply to your letter of February 21, concerning your applications for Federal aid on the Henrietta and Galtie Boy properties.

The Lead-Zinc Branch of the Defense Minerals Administration informs me that these two properties may be eligible for aid under the exploration and development program that was announced by press release on February 20. This program calls for a matching of Federal funds by equal funds to be raised privately by the applicant. The details explaining what types of proposal will be eligible for the loan, the rules governing the use and repayment of the Government funds, and other pertinent information should be ready for distribution to applicants within a very few days. Many details have had to be worked out after acceptance of the general principle of the plan.

Although some applications for aid in exploration and development were forwarded to the field office of the Bureau of Mines earlier in the winter, later applications of this type have been held in Washington when it became apparent that the plans under consideration called for substantial contributions from the applicant. It has seemed better to clear with the many applicants to see which ones will want to meet the financial commitments of the program, and which ones may want to modify their proposals. A revised list will be secured in this way on which prompt action can be taken.

I can assure you that your applications will receive attention just assoon as we are able to send you details of the program. If the program is acceptable to you, we can then send two two applications to the field team for its consideration.

The Galtie Boy application bears the docket number DMA-363 and the Henrietta is numbered DMA-606.

I trust that the explanation of the program that will be sent to you will answer most of the questions that may arise about the program. If there are further questions, please do not hesitate to call upon me.

Sincerely yours,

/s/ Oscar L. Chapman
Secretary of the Interior.

Carl H. Peterson, Secretary
U.S. Oil & Development Corporation
Suite 205-11-16 Mercantile Building
Denver 2, Colorado.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Washington 25, D. C.

March 8, 1951

DMA 363

Mr. Carl H. Peterson
U.S. Oil & Development Corporation
Suite 205 Mercantile Building
Denver 2, Colorado

Dear Mr. Peterson:

Your letter addressed to Mr. James Boyd, dated February 12, has been referred to me for reply.

Your request for us to transfer your application DMA 363 to the attention of that Branch.

As soon as the field office can arrange to make an inspection, your property probably will be examined in the field. At that time consideration will be given to the tungsten possibilities of the claims in your Galtis Boy group, as well as lead and zinc.

We trust that this arrangement will prove satisfactory to you.

Very truly yours,

/s/ Otto Herres

Otto Herres, Chief
Lead-Zinc Branch

MONDAY
OCT. 1950

9

~~1. [illegible]~~
2. Ms Milloy
3. DMA files

U.S. OIL & DEVELOPMENT CORPORATION

Producers of Oil, Lead & Zinc

Suite 205-11-16 Mercantile Building

Denver 2, Colorado

February 22, 1951.

Mr. Jack East,
Regional Director,
U.S. Bureau of Mines,
New Customs Building,
Denver 2, Colorado.

Dear Mr. East:

As we have not had any acknowledgment or even a docket number from our applications and communications we have sent to Washington, I thought I would write to Oscar Chapman and ascertain from him if he would be kind enough to assit in at least getting those applications acknowledged.

I was up several times to see you but you were busy or out of town so the last time I consulted with Mr. McMillian if he thought you would have any objections if I write to Mr. Chapman and he assured me you would not so I am herewith enclosing a copy of my letter to Mr. Chapman for your files.

Assuring you we appreciate the courtesies you have always extended us, I remain

Very truly yours,

U.S. OIL & DEVELOPMENT CORPORATION

By Carl H. Peterson

Carl H. Peterson, Secretary

CHP:w

enc:

JMC

Mr. Feal

February 21, 1951.

Honorable Oscar L. Chapman,
Secretary of the Interior,
Washington, D.C.

My Dear Secretary:

I have meditated a long time whether I should trouble you with our company's difficulties, as well as my own, because with all the grief that you have on your shoulders with national matters, I have hesitated, however, I cannot resist it any longer, therefore I will apologize for having to impose upon you.

In 1945 we bought one-half interest in the Lark mine in San Juan County, Colorado, about 7-1/2 miles North of Silverton. We shipped from the Lark Mine about 26,000 tons of lead, zinc and copper ore from August 1945 until the bonuses were taken off in 1948. We took over three mines in the meantime. We have spent $60,000 in development on one mine known as the Joe & John and sank a shaft on the ore body in the Lark Mine, thinking of course, that the bonuses would be continued. As you know 83% of the mines in Colorado had to close down on account of low metal prices. We want some new equipment, and in January we put in a loan for $57,000 for the Henrietta mine, for such things as air trammers, mucking machines etc., in order to increase the tonnage per man. We have mining reports, by reliable engineers, showing that we have 350,000 tons of copper, lead and zinc ore blocked out on two sides. On the 12th day of January, 1951, we sent in a very comprehensive application, supported by reports, to the U.S. Bureau of Mines, asking for $57,000 loan through the Defense Minerals Administration and to this day we haven't received even a docket number or acknowledgment of this application. We cannot understand this because we spent a considerable amount of money and time acquiring a lot of data in support of this application. And with the acute shortage of these metals needed for defense we feel this matter should have attention. Another application was sent in by Walter W. Bentley, W. R. Green and Carl H. Peterson for the Galty Boy mine located next to the Henrietta and our other mines that the U.S. Oil & Development Corporation owns, with reports showing 92,000 tons of lead and zinc ore blocked out on two sides and with one-half million tons of inferred ore. This application was filed December 13, 1951. Since this application was filed we have learned that there is a large amount of tungsten in four of these claims and two different parties who opened up two of these deposits during the last war want to sublease these properties from us and open up two tungsten operations. On February 12, 1951, I sent information to the U.S. Bureau of Mines, Washington, D.C., returns from one shipment of tungsten from this

property in 1941, amounted to $1500 and asked that the Galty Boy application be transferred from lead, zinc and copper priority to the chrome, tungsten and manganese priority, which I understood from Mr. Boyd's talk at the convention here in Denver, would come in under priority number 1. We have not received an answer to this letter either. The same condition exists in the Galty Boy application as in the Henrietta application. We haven't heard a word since we sent tehm in and the Galty Boy application was sent to Washington, December 15, 1950, or thirty days before the Henrietta application was forwarded.

We understand nothing can be done with these applications until the property is examined by the U.S. Bureau of Mines from Denver, but we also understand that the U.S. Bureau of Mines here in Denver are helpless until these applications are turned back here to them for examination; therefore if I could impose upon your good office to see if it is possible to jar these applications loose and get them back to the Bureau of Mines here in Denver it certainly would be appreciated by the officials of the U.S. Oil & Development Corporation for the Henrietta loan, as well as by Walter W. Bentley, W.R. Green and myself for the Galty Boy loan.

Mrs. Peterson and I were unusually happy to meet you and Mrs. Chapman at the banquet on home coming day and also pleased to see you looking so well.

Mrs. Peterson joins with me in sending good wishes to yourself and family.

I am gratefully yours,

U.S. OIL & DEVELOPMENT CORPORATION

By_____
Carl H. Peterson, Secretary

CHP:w

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

OFFICE OF
REGIONAL DIRECTOR

REGION IV

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

February 23, 1951

Mr. Carl H. Peterson
U. S. Oil & Development Corporation
Suite 205-11-16 Mercantile Building
Denver 2, Colorado

Dear Mr. Peterson:

This will acknowledge receipt of your letter dated February 12, 1951 with attached copies of letters to Dr. James Boyd.

We have not received authorization to investigate these projects, and of course, we do not have knowledge of the action taken by the Operating Committee in Washington. Doubtless, you will hear from the Committee in the near future.

Sincerely yours,

J. H. East, Jr.
Regional Director

JHE:lm

cc: FT Allsman
DMA files

The only information in the DMA files on this correspondence is that the original only of an application on the Galtie Boy Group filed by the U. S. Oil & Development Corp. (W. W. Bentley, W. R. Green and C. H. Peterson) was sent to Washington on December 28.

On February 1, another application for the Henrietta Mine was ~~received and~~ forwarded to Washington.

Charlotte

U.S. OIL & DEVELOPMENT CORPORATION

Producers of Oil, Lead & Zinc

Suite 205-11-16 Mercantile Building

Denver 2, Colorado

February 12, 1951.

REGIONAL DIRECTOR'S
OFFICE
REGION IV
FEB 13 1951
BUREAU OF MINES
DENVER, COLORADO

Mr. Jack East,
Regional Director,
Bureau of Mines,
Customs Building,
Denver, Colorado.

Dear Mr. East:

We are enclosing herewith a letter to Mr. Boyd in which we have asked him to change the application from the Zinc, Lead and Copper division to Chrome, Tungsten and Manganese division as we were told in his address at the Mining Convention that these three latter metals carry priority number one.

I am also enclosing herewith copy of letter written by Mr. H.O. Williams and H. E. Walby. These letters are self explanatory.

Anything you can do to expedite this matter will be greatly appreciated.

Very truly yours,

Carl H. Peterson

Carl H. Peterson,

CHP:w

enc:

Denver, Colorado,
February 5, 1951.

U.S. Oil & Development Corporation,
205 Mercantile Building,
Denver, Colorado.

Gentlemen:

We understand that you have a lease on the Galtie Boy group of mines at Silverton.

In 1941 we mined on the Dawn of Day mine during the summer taking out approximately $1500.00 worth of 60% tungsten concentrates. While we were working on the Dawn of Day we examined for tungsten ore in the Galtie Boy and found a vein some 18 inches wide in a rise 16 feet long.

We also examined on the Minnesota claim and it showed tungsten along the hanging wall. Some old fill and mill dirt prevented us making further examination.

We also examined on the Ohio claim and it had a showing of tungsten.

We would like to have a lease on the Dawn of Day, Minnesota and Ohio claims and would like to have a refusal on some other claims you have which have tungsten ore on them, for at the present price we feel we can mine these properties at a good profit to us and also make some money for you.

Very truly yours,

/s/ H. E. Walby,

General Delivery,
Cripple Creek, Colorado.

/s/ Harold O. Williams,

2465 - 20th Street,
Boulder, Colorado.

February 12, 1951.

Mr. James Boyd
Chief of Mineral Defense Administration,
U.S. Bureau of Mines,
Washington, D. C.

Dear Mr. Boyd:

In December 1950 an application for a loan was filed under the Defense Mineral Act through the U.S. Bureau of Mines for the Galtie Boy mine located 7-1/2 miles North of Silverton in San Juan County, Colorado, signed by Walter W. Bentley, W.R. Green and Carl H. Peterson.

We stated in this application that a Mr. Williams had a lease on one or two claims belonging to the Galtie Boy group and was mining tungsten, and it was for that reason we were anxious to get in touch with Mr. Williams.

In the wonderful address you made on February 3rd, at the Mining Convention, you stated that Chrome, Tungsten and Manganese have been placed in a category by themselves and therefore the first priority as to loans. Knowing that we had a large amount of tungsten in the Galtie Boy group we immediately proceeded to locate Mr. Williams and we found Harold O. Williams and his partner H. E. Walby, who operated the Dawn of Day, which is one of the Galtie Boy group, in the summer of 1941. Both of these men tell us there is more tungsten in the Galtie Boy group of mines than in any property in Boulder County and they are very anxious to get a lease from us on several of these claims, on which they have already discovered tungsten. The reason they did not continue mining this tungsten from the Galtie Boy Group is because there was a change of ownership and the new owner asked a prohibitive royalty.

We are enclosing herewith copy of letter they wrote to us addressed to U.S. Oil & Development Corporation with which Bentley, Green and Peterson are associated. This letter is self explanatory.

We therefore ask that you kindly transfer this application from the Lead, Zinc and Copper division, which we understand is priority #2, into the Chrome, Tungsten and Manganese division, which we understood from your address carries #1 priority.

Trusting this will have your immediate attention, we remain

Sincerely yours,
Walter W. Bentley,
W.R. Green
Carl H. Peterson,

By_____
Carl H. Peterson.

CHP:w

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

OFFICE OF
REGIONAL DIRECTOR

REGION IV

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

Application for Exploration and Mining Loan for the Henrietta Mine, by the U. S. Oil and Development Corp., 201 Mercantile Building, Denver, Colorado, delivered in person by Mr. Carl Peterson, January 19, 1951.

Original only received and forwarded to Washington 2/1/51

Form 6-98

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

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

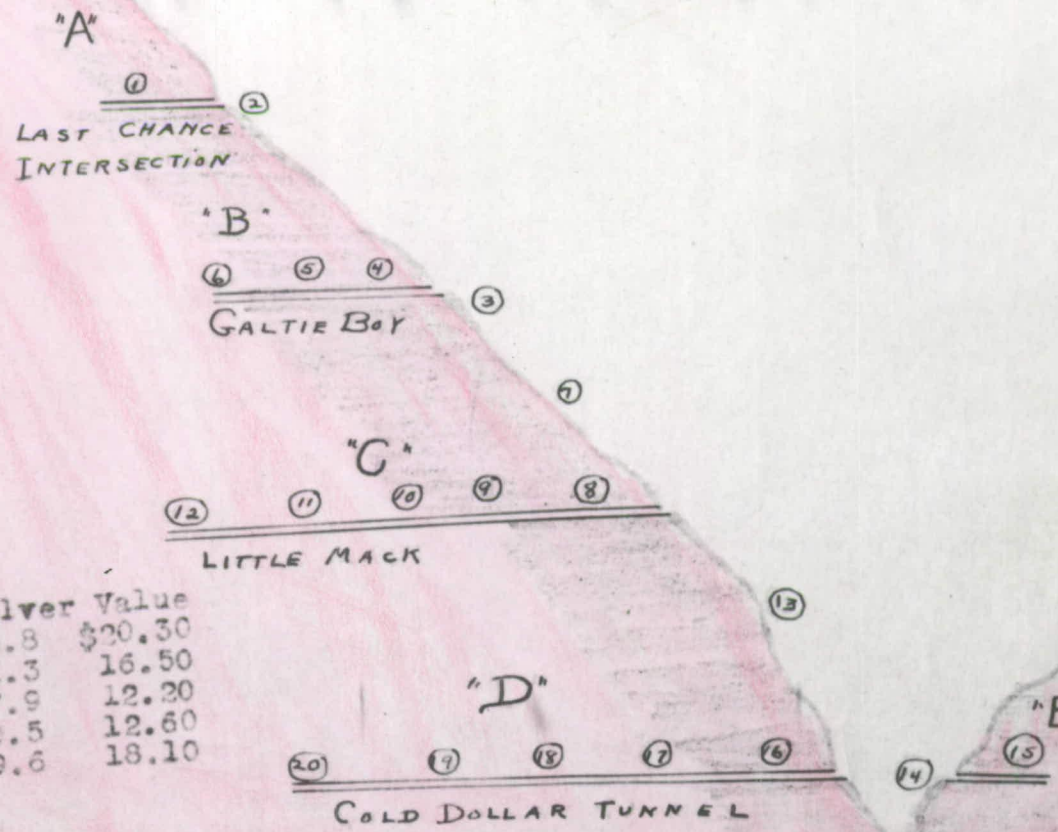
Profile of Workings on

GALTIE BOY VEIN

Tonnage estimates

Block	"A"	4500	tons
	"B"	12500	"
	"C"	25000	"
	"D"	43500	"
	"E"	7000	"
		92500	"

Scale
250 ft - 1 in.



Assay averages

		Gold	Silver	Value
Block	"A"	.81	14.8	$20.30
	"B"	.66	11.3	16.50
	"C"	.49	7.9	12.20
	"D"	.48	10.5	12.60
	"E"	.77	9.6	18.10

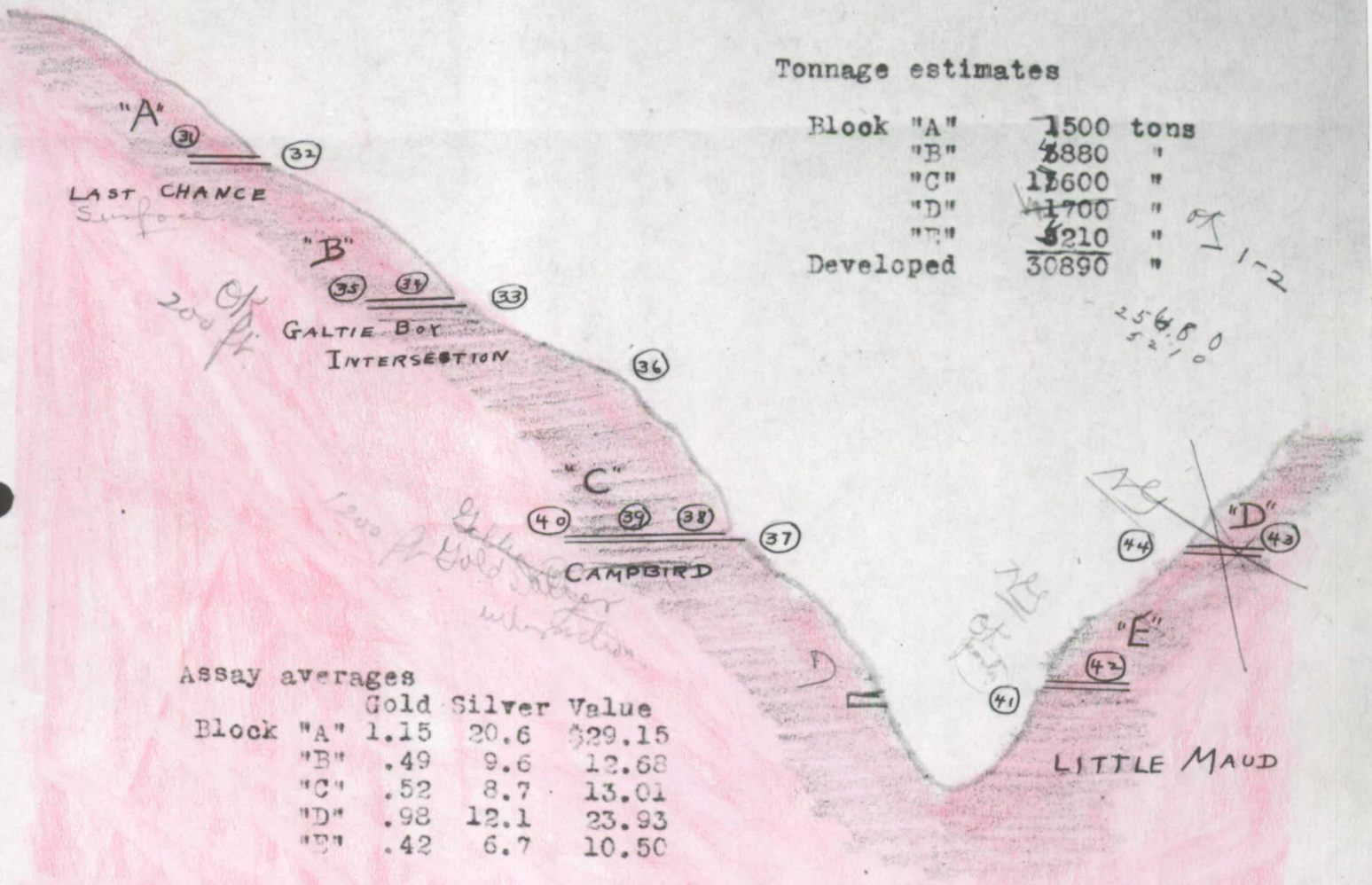
Developed tonnage	92500 tons	
Undeveloped "		
Above Gold Dollar Tn'l when extended		225000 tons
" Wetzel Tunnel " "		300000 "
Vein should produce of $12.00 ore over		600000 "

Wetzel Tunnel

[illegible]

PHOTO-COPY BY PICK
FOR EXTRA COPIES, CALL KE. 287
MAY 4 1951
PICK PHOTOGRAPH & BLUEPRINT CO.
1015-17th ST. DENVER, COLO.
CERTIFIED ON REQUEST

Profile of Workings on
Campbird
LAST CHANCE - LITTLE MAUD VEIN.



Tonnage estimates

Block	"A"	1500	tons
	"B"	3880	"
	"C"	12600	"
	"D"	11700	"
	"E"	5210	"
Developed		30890	"

Assay averages

	Gold	Silver	Value
Block "A"	1.15	20.6	$29.15
"B"	.49	9.6	12.68
"C"	.52	8.7	13.01
"D"	.98	12.1	23.93
"E"	.42	6.7	10.50

Scale
250 ft. - 1 in.

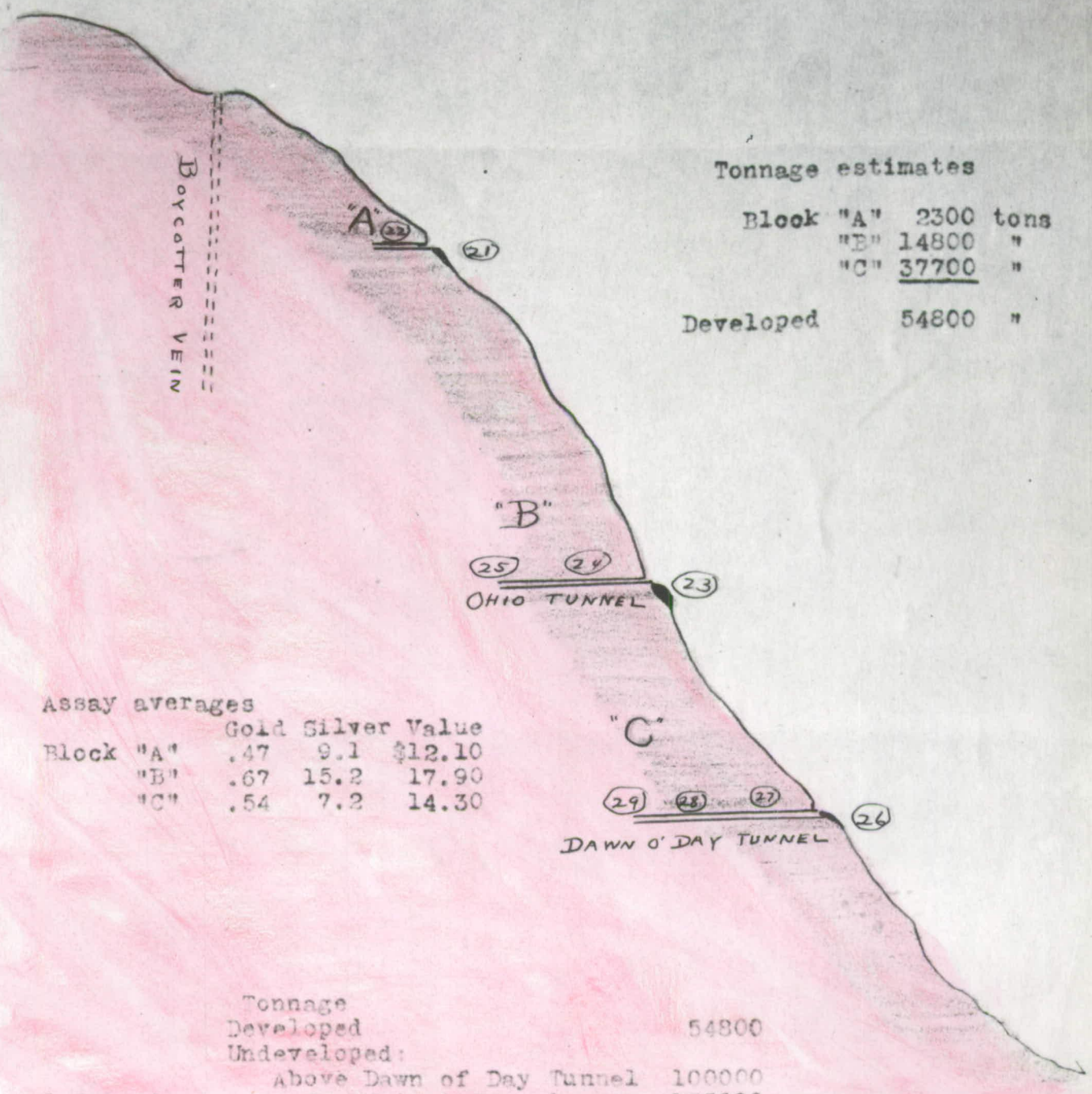
Developed tonnage	30890
Undeveloped	
Above Campbird and Little Maud tunnels,	120000
Above Wetzel Tunnel,	375000
Vein should produce	500000 tons of $12.00 ore

Wetzel tunnel level

PHOTO-COPY
BY PICK
FOR EXTRA COPIES, CALL KE. 2876
MAY 4 1951
PICK PHOTOGRAPH & BLUEPRINT CO.
1515 - 17th ST. DENVER, COLO.
CERTIFIED ON REQUEST

Profile of workings on

LESLIE-OHIO VEIN.



Tonnage estimates

Block	"A"	2300	tons
	"B"	14800	"
	"C"	37700	"
Developed		54800	"

Assay averages

	Gold	Silver	Value
Block "A"	.47	9.1	$12.10
"B"	.67	15.2	17.90
"C"	.54	7.2	14.30

	Tonnage	
	Developed	54800
	Undeveloped:	
	Above Dawn of Day Tunnel	100000
Wetzel Tunnel	" Wetzel Tunnel	175000
Level	Vein should produce over	325000 tons of $12.00 ore

Scale
250 ft - 1 in.

PHOTO-COPY
BY PICK
FOR EXTRA COPIES, CALL KE. 2876
MAY 4 1951
PICK PHOTOGRAPH & BLUEPRINT CO.
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CERTIFIED ON REQUEST

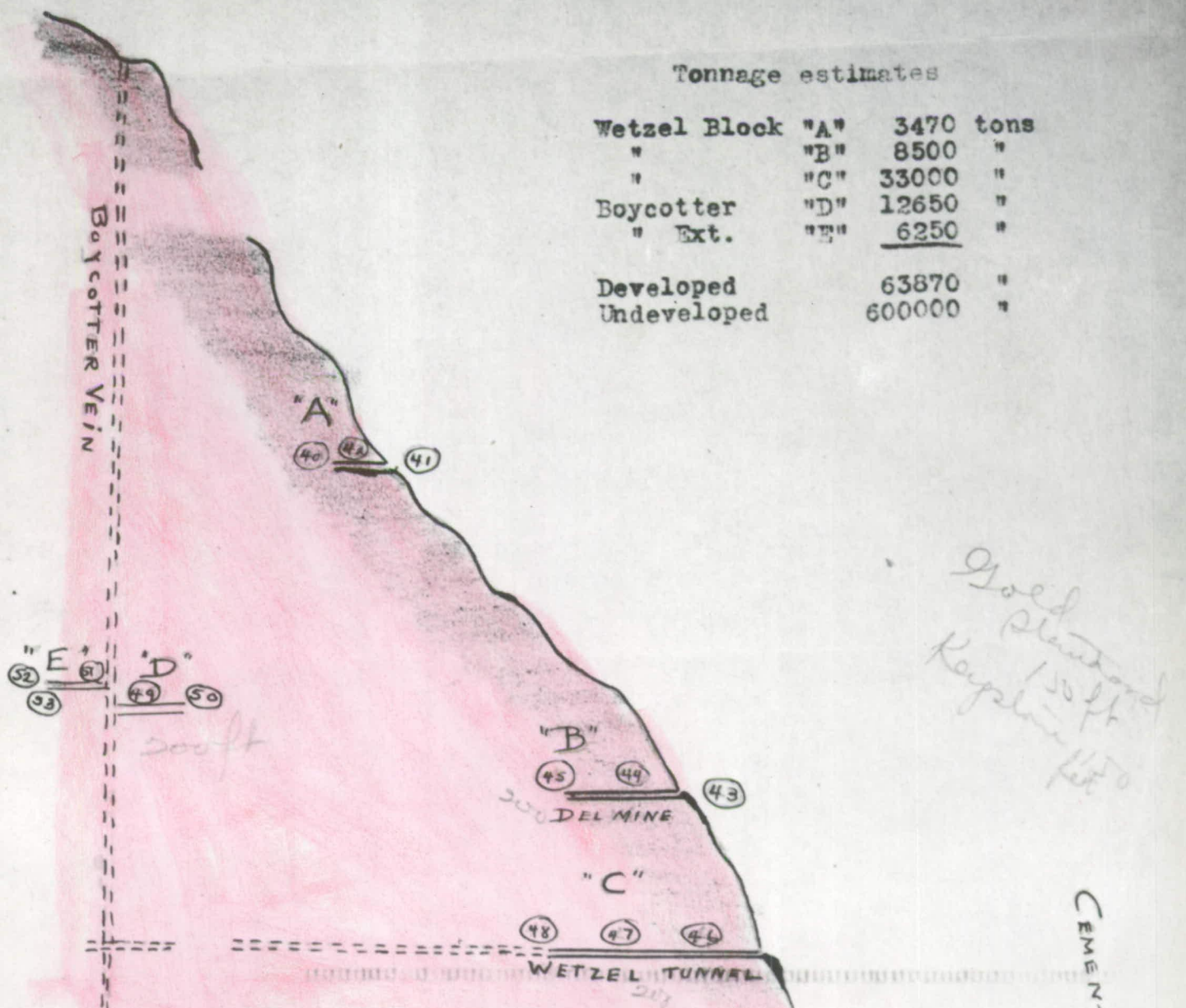
Amended in Kourlhemier Yates Reports.

Profile of Workings on

WETZEL-BOYCOTTER VEINS

Tonnage estimates

Wetzel Block	"A"	3470	tons
"	"B"	8500	"
"	"C"	33000	"
Boycotter	"D"	12650	"
" Ext.	"E"	6250	"
Developed		63870	"
Undeveloped		600000	"



Scale
250 ft - 1 in.

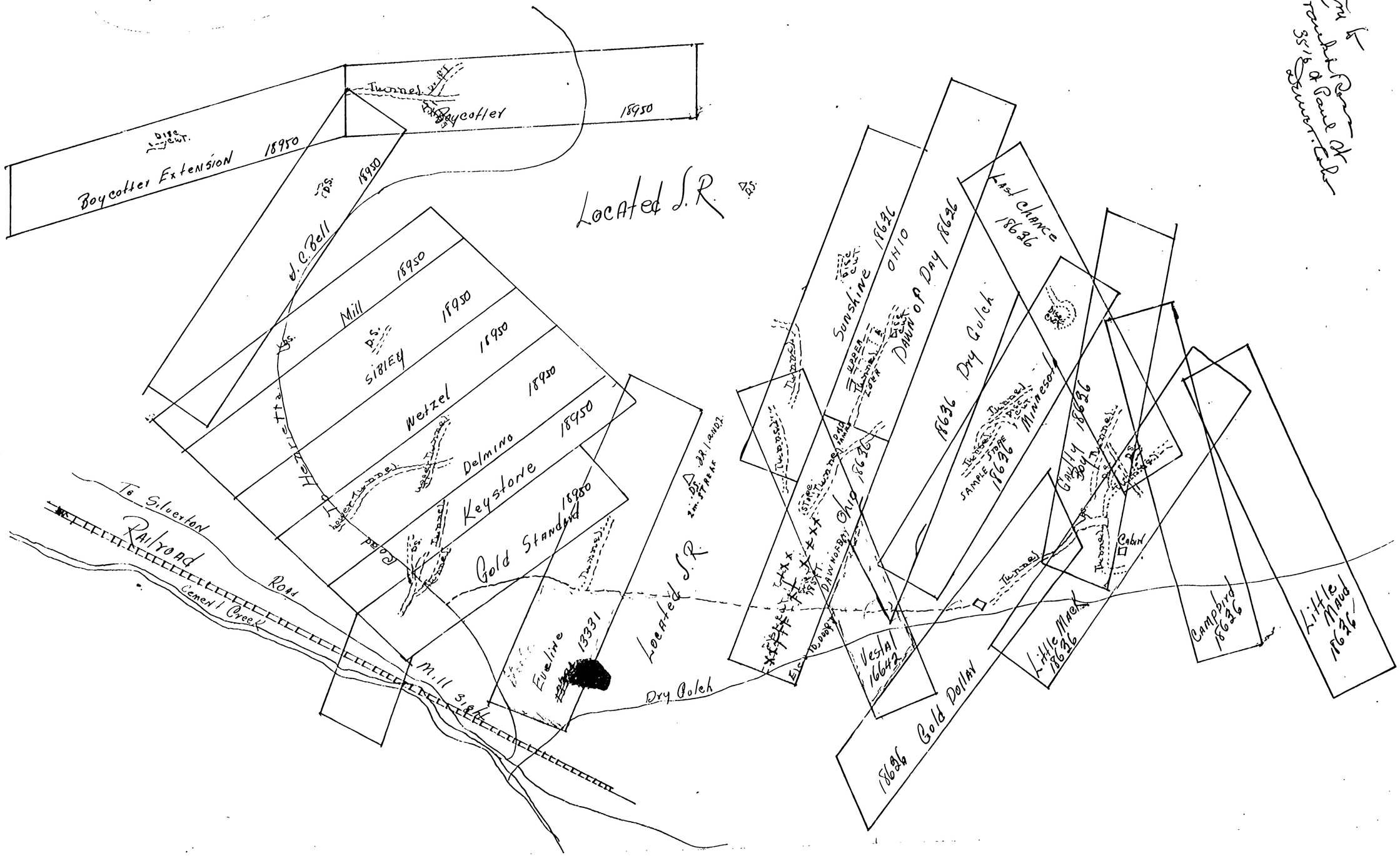
Assay averages

	Gold	Silver	Value
Block "A"	.74	5.2	16.50
"B"	.51	7.4	13.70
"C"	.37	5.6	9.08
"D"	.49	7.8	12.14
"E"	.43	8.3	11.09

PHOTO-COPY
BY PICK
FOR EXTRA COPIES, CALL KE. 2876
MAY 4 1951
PICK PHOTOGRAPH & BLUEPRINT CO.
1015 - 17th ST. DENVER, COLO.
CERTIFIED ON REQUEST

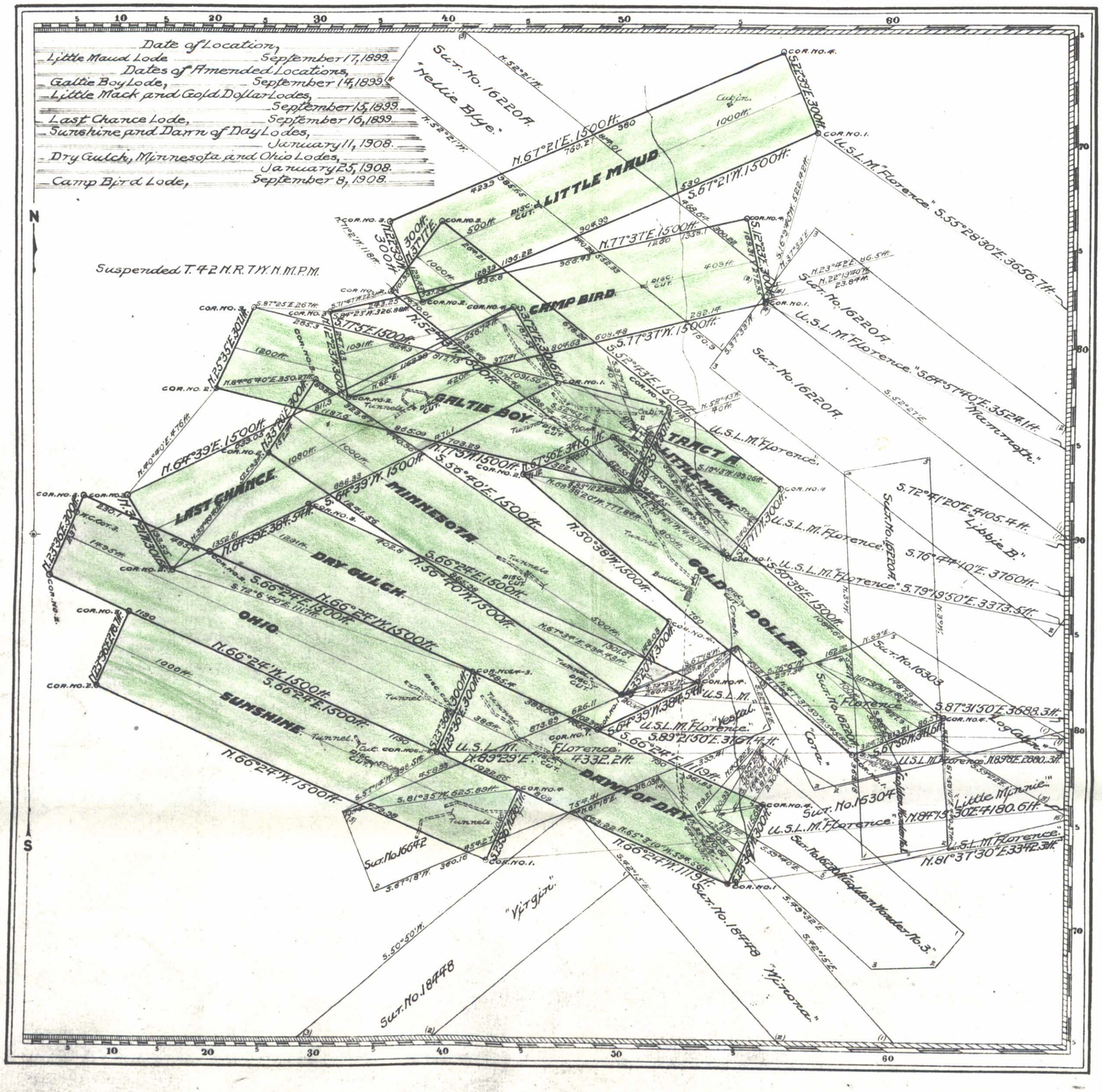
Make 5

Return to Franklin Rom & Paul A. 35'16 Denver, Colo



Received S.G.O. June 20, 1908.
" " " " August 19, 1908.
" " " " September 22, 1908.
" " " " September 23, 1908.
" " " " October 12, 1908.

(4-675)



Claim Located 190

Mineral Survey No. 18636

L.O.T. No.

Durango Land District.

PLAT

OF THE CLAIM OF

THE ROSS MINING & MILLING COMPANY,

KNOWN AS THE

LITTLE MAUD, LITTLE MACK, GOLD DOLLAR, GALTIE BOY, LAST CHANCE, DRY GULCH, CAMP BIRD, MINNESOTA, OHIO, DAWN OF DAY AND SUNSHINE LODES,

IN EUREKA AND RED MOUNTAIN MINING DISTRICTS, SAN JUAN COUNTY, COLORADO.

Containing an Area of 83.533 Acres.

Scale of 300 feet to the inch.

Variation 14° 30' East

SURVEYED September 21, 1908 BY

Alfred W. Harrison, U.S. Mineral Surveyor,

The Original Field Notes of the Survey of the Mining Claim of The Ross Mining & Milling Company, known as the Little Maud, Little Mack, Gold Dollar, Galtie Boy, Last Chance, Dry Gulch, Camp Bird, Minnesota, Ohio, Dawn of Day and Sunshine Lodes, from which this plat has been made under my direction, have been examined and approved, and are on file in this Office; and I hereby certify that they furnish such an accurate description of said Mining Claim as will, if incorporated into a patent, serve fully to identify the premises, and that such reference is made therein to natural objects or permanent monuments as will perpetuate and fix the locus thereof.

I further certify that Five Hundred Dollars worth of labor has been expended or improvements made upon said Mining Claim by claimant or its grantors, and that said improvements consist of twelve cuts and ten tunnels, as appears by the affidavit of the mineral surveyor, that the location of said improvements is correctly shown upon this plat, and that no portion of said labor or improvements has been included in the estimate of expenditures upon any other claim.

And I further certify that this is a correct plat of said Mining Claim made in conformity with said original field notes of the survey thereof, and the same is hereby approved.

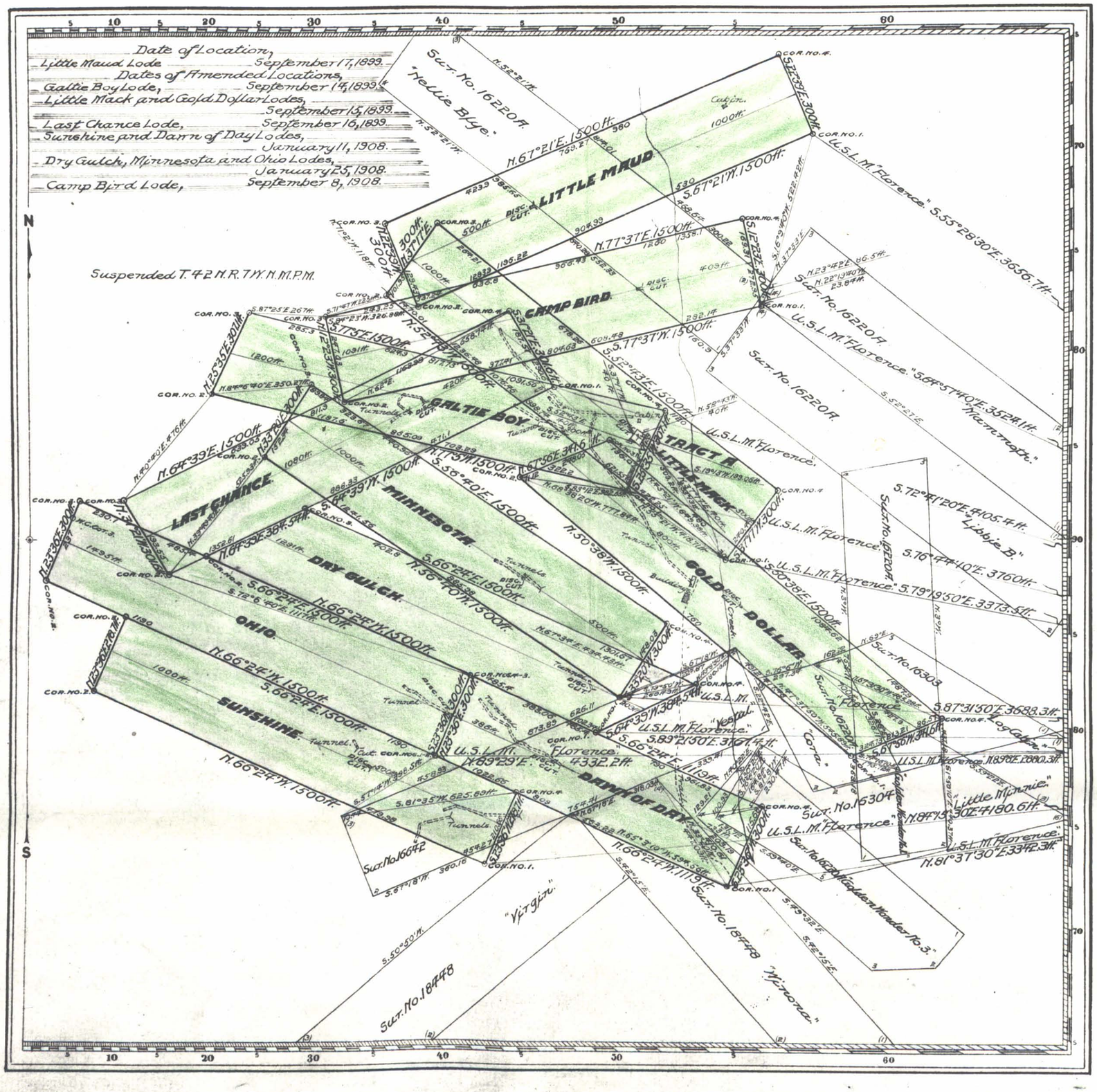
U.S. Surveyor General's Office. R. G. Lewis.

Denver, Colorado, U.S. Surveyor General for

October 20, 1908. Colorado.

Received S.G.O. June 20, 1908.
" " " " August 19, 1908.
" " " " September 22, 1908.
" " " " September 23, 1908.
" " " " October 12, 1908.

(4-675)



Claim Located 190

Mineral Survey No. 18636

Lot No.

Durango Land District.

PLAT

OF THE CLAIM OF

THE ROSS MINING & MILLING COMPANY,

KNOWN AS THE

LITTLE MAUD, LITTLE MACK, GOLD DOLLAR, GALTIE BOY, LAST CHANCE, DRY GULCH, CAMP BIRD, MINNESOTA, OHIO, DAWN OF DAY AND SUNSHINE LODES,

IN EUREKA AND RED MOUNTAIN MINING DISTRICTS, SAN JUAN COUNTY, COLORADO.

Containing an Area of 83.533 Acres.

Scale of 300 feet to the inch.

Variation 14° 30' East

SURVEYED September 21, 1908 BY

Alfred W. Harrison, U.S. Mineral Surveyor,

The Original Field Notes of the Survey of the Mining Claim of The Ross Mining & Milling Company, known as the Little Maud, Little Mack, Gold Dollar, Galtie Boy, Last Chance, Dry Gulch, Camp Bird, Minnesota, Ohio, Dawn of Day and Sunshine Lodes, from which this plat has been made under my direction, have been examined and approved, and are on file in this Office; and I hereby certify that they furnish such an accurate description of said Mining Claim as will, if incorporated into a patent, serve fully to identify the premises, and that such reference is made therein to natural objects or permanent monuments as will perpetuate and fix the locus thereof.

I further certify that Five Hundred Dollars worth of labor has been expended or improvements made upon said Mining Claim by claimant or its grantors, and that said improvements consist of twelve cuts and ten tunnels, as appears by the affidavit of the mineral surveyor, that the location of said improvements is correctly shown upon this plat, and that no portion of said labor or improvements has been included in the estimate of expenditures upon any other claim.

And I further certify that this is a correct plat of said Mining Claim made in conformity with said original field notes of the survey thereof, and the same is hereby approved.

U.S. Surveyor General's Office, Denver, Colorado, October 20, 1908.

T. G. Lewis, U.S. Surveyor General for Colorado.