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

REGIONAL DIRECTOR'S OFFICE
REGION
MAR 1 1951
BUREAU OF MINES
DENVER, COLORADO

Memorandum February 28, 1951

To: Executive Secretary, DMA
Through Operating Committee and Director,
Supply Division.

From: Lead-Zinc Branch, DMA Case Docket No. L-456

Subject: Application of Loan-Zinc
Kennedy Mining Company, Inc.
Joseph A. Nelson, President
P. O. Box 417
Breckinridge, Colorado
The Governor Silver Mine, Summit County, Colorado

The applicant requests a loan of an unspecified amount for equipping and operating the Governor Silver Mine located in Summit County, Colorado. The loan, if granted, would be used for development work and the purchase of a considerable amount of equipment. The application indicates that the mine is poorly equipped.

The applicant states that there are about 375 tons of ore partly surrounded which will average 4 percent lead, 3 percent zinc, [illegible] oz. silver and [illegible].3 oz. gold per ton. There are 1,[illegible] tons of this or better grade ore inferred.

Because this property is essentially a silver producer with relatively small amounts of strategic metals, it is recommended that the application for a loan be denied and the attached letter sent to the applicant.

[illegible], Chief
Lead-Zinc Branch, DMA

Approved:
DMA Operating Committee

C. O. MITTENDORF
Chairman

LOWELL B. MOON,
Director

L B Moon

ARCampbell:jeh
[illegible]/28/51

copy to: Chief, Lead-Zinc Branch
Geological Survey - [illegible] Knight
[illegible] Hedges L B. Moon
[illegible] ote
[illegible]trobel
[illegible]ittendorf
2 copies to Executive Officer,
Regional Field Team, Region IV
Files

Mining Division
Date Rec'd.

JAN 11 1951

BUREAU OF MINES
Denver, Colorado

January 11, 1951

Mr. Joseph M. Nelson, President
Kennedy Mining Company, Inc.
P. O. Box 417
Breckenridge, Colorado

Dear Mr. Nelson:

This will acknowledge receipt of your unsigned letter received in this office, January 8, 1951, making application for Government assistance under the Defense Production Act of 1950.

We are forwarding herewith five copies of Form NSMB-146, Application for Government Loan, and request that you complete the form as nearly as you can and forward four copies to this office.

We will mail your application upon receipt, to the Defense Minerals Administration, Washington, D. C., for their consideration.

Sincerely yours,

J. H. East, Jr.
Regional Director

JHE:lm

cc: WT Allsman
WM Traver

Form 6–98

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

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

January 11, 1951

Mr. Joseph M. Nelson, President
Kennedy Mining Company, Inc.
P. O. Box 417
Brockenridge, Colorado

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We will mail your application upon receipt, to the Defense Minerals Administration, Washington, D. C., for their consideration.

Sincerely yours,

J. H. East, Jr.
Regional Director

JHE:lm

cc: [illegible] Allaman
[illegible] Traver

KENNEDY MINING COMPANY, INC.

139 NORTH VIRGINIA STREET
RENO, NEVADA

P.O.Box 417
Breckenridge,Colorado

OFFICERS AND DIRECTORS
JOSEPH M. NELSON
PRESIDENT AND DIRECTOR
NELLIE J. NELSON
VICE-PRES. AND DIRECTOR
CHAS. F. KENNEDY
SEC'Y-TREAS. AND DIRECTOR

file copy

Mr. J.H.East,Jr.
Regional director
U.S.Bureau of mines
New Customs Building
Denver 2,Colorado.

Dear Mr. East:

I am hereby making application for a loan to reopen The Governor mine,Summit County, Colorado.

The ownership of the Governor mine at present is as follows:-

Kennedy Mining Company,Inc., owns 119/180ths of the Pilot Lode,patent No.2250, Governor lode,No.2168,Pointer lode, No.2508 and 15/16ths of the Governor Extension SouthNo.3061 and the Muldoon,No.3060. ~~xxxxxx 11/16thxxxxx~~

The Christ Kaiser Estate owns 59/180th of the ~~Pilot~~ Pilot No.2250,Governor No.2168,Pointer,No.2508 and 1/16th of the Governor Extension South and The Muldoon No.3060. The patent No. of the Governor Extension South is 3061.

The Lowenstein Estate of St. Louis Mo. owns the remaining 1/90th interest of the Pilot Governor and Pointer lodes.

The past porduction is estimated atabout $50,000.00 . I am inclosing the returns taken from the old Denver Public Sampling works who bought a part of the output from the mine when it was working. This is all that is available now.

The property has been closed since about 1886 except for a period in 1916-17 when it was operated under lease by The Governor Mining Company and in 1926-28 when Dr. Irvin Hunter of Colorado Springs,Colorado, Clarence Nelson and A.B.Middleswarth and myself did some work. In both cases it was necessary to close down. The first time because of the first world war and the second time because of the low metal prices.

The past summer we spent some $3,000.00 in getting the portal opened. We have since tried to raise some money but have had no luck. We have not tried to sell any stock although that was the primary reason we first incorporated.

KENNEDY MINING COMPANY, Inc.

139 North Virginia Street
Reno, Nevada

Officers and Directors
Joseph M. Nelson
President and Director
Nellie J. Nelson
Vice-Pres. and Director
Chas. F. Kennedy
Sec'y-Treas. and Director

We want this money to do the following work:-
Sink the winze down to the I50 foot level below the main or tunnel level, a distance of II0 feet(including a sump). crosscut to the vein from the station at the level and drift I50 feet to the north on the vein and 300 feet to the south. The winze to be continued down at it's present sizeof 4x6 feet in the clear. The drifts and crosscut to be 4x6½feet in the clear.

I estimate this can be done for about $55.00 per foot for the winze and $25.00 per foot for the crosscut and the drifting work.

For equipment we need the following e-

Air compressor
I000 feet of 2 inch air pipe.
I sinker drill machine
I mounted Jackhammer
equipment for both the above
I8000 brd.ft. 8"x8"xI2' cribbing .
3000 lb. I2 # rail.
2 I6 cu ft. mine cars.
I 60 gallon bailer.
3 $00 lb capacity ore buckets.
I buffalo air blower with 4" discharge.
400 feet of 4" galvanized air pipe.
I hoist ,I500 lb. capacity.

prefer a deisel driven unless electricty is installed. (There is a power line some I000 feet or less from the portal of tunnel).

At present we have
one mine car.
Track from dump into the winze and track on 50 foot level.
One 5 foot jack bar.
and small tuols,saws axes hammers etc.
A large vise.

and sundry other items but we are very poorly equiped.

I estimate that we cando the desired work,after we get the money,in about I30 days.

At present there is no ore surrounded but there is an estimated 375 tons of ore partly surrounded that will,I believe average 2% pb. 3% zn. 20 oz. Ag. and .03 oz. Au.

KENNEDY MINING COMPANY, INC.

139 NORTH VIRGINIA STREET

RENO, NEVADA

OFFICERS AND DIRECTORS
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PRESIDENT AND DIRECTOR
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CHAS. F. KENNEDY
SEC'Y-TREAS. AND DIRECTOR

In my opinion the above planned work will make an additional 9000 tons of ore of a like or better grade. and open the way to a possible large future production.

The formation in the Governor is of a type which is a producer of ore in other places and I am confident it is here also.

The hanging wall is a dolomite, the foot wall isa granite with some micain it.

The gangue of the vein is quartz,is very friable and of two types. A white type does not carry much value. Agray quartz the is where the values are found. This is the predominating type. The vein is from tenfeet to tewnty five feet betwwen walls and the ore is from forty inshes upto the full width of the vein. There is a gouge on the walls of a black schale or clay that is absolutely barren. This same schale or clay is found at times in the vein along side of ore.

The ore will have to be milled because of the zinc and until we can get a mill of our own we will have to haul either to the Ressurection or The A.S.7 R. mill at leadville. This is about forty miles one way.

The governor mine is located on Colorado State highway No. 9 and no access road is necessary to get to it.

I have had plenty of applications for work and do not expect to have any trouble getting all the help when we get started. At present what work there is is being paid for at from ~~$1.00~~ $1.00 Per hour too $1.25. I have estimated the planned work on a basis of $1.50 perhour labor cost.

The Kennedy Mining Company,Inc.
by _____
Joseph M. Nelson,Pres.

COPY

REPORT OF THE GOVERNOR SILVER MINE.

LOCATION, TOPOGRAPHICAL FEATURES Etc.

The Governor group of mines lies in Summit County , Colorado, about five miles south of the town of Breckenridge, and some three miles below the head of the Blue river. Altitude above the sea approximatly, I0266 feet.

The property includes three claims parallel and adjoining, lying on the west bank of the stream, and from 300 to 500 feet above its bed. Each claim is I50 by I500,feet in size and the three therefore cover I53/4 acres. I am informed that all are patented.

Within this surface area are three parallel outcrops called respectivly the "Pilot", "Governor" and "Pointer" veins. The Governorlies in the center. It is the main vein and all the workings hereinafter described are upon it. The other two are undoubtedly spurs which will unite with it in depth.

The mountainside on which the property lies has a slope of 25 to 36 degrees and is covered with x fine pine and spruce timber.

Breckenridge is the county seat of Summit County. Itis ~~the~~ on the main line of the South Park R.R. between Denver and Leadville, I28 miles in distance and 8 hours in time from the former, and 22 miles and one and one half hours from the latter. The passenger trains each way pass through the town every twenty-four hours. The county road from Breckenridge to Fairplay passes distinctly between the mine and the mill and is in good condition.

FORMATION, STRIKE, DIP, Etc.

The Governor vein is undoubtedly a true fissure extending downward indefinitely. Its strike is approximatly north-east and south west and its course is therefore diagonally up and down the mountain side. Its width is from I5 to 25 feet so far as shown by present developments, and its dip is 65 to 70 degrees from the horisontal, westward into the hill. The outcrop isstrong. In my judgment the lode may be traced northward for several miles through several other locations.

The formation is a micaceous, metamorphic granite, containing a high percentage of feldspar. It is therefore soft and easily decomposable under the influemce of water.

Ores, GANGUE ETC.

The gangue of the vein is grey and white quartz and black clay. The grey quartz is firm and hard and contains the bulk of the valuable ore. Thewhite quartz is soft, friable and in general commercially valueless. Occassionally, however, it contains enough of mineral to be broken. The black schale exists as a parting seam on both walls, and often in hard streaks between the masses of quartz, it contains but a trace of metal.

The quartz seams range from I0 to 20 feet in thickness and are continuous throughout all the openings so far made. In them are found shutes or chimneys of ore varying in size and extent, which constitutes the valuable part of the lode. As yet too little development has been made to permit of determining the course of these chimneys positivly, but

They appear to pass through the plane of the vein with a northerly dip and to be more or less parallel with each other. This is generally the case in veins of a similar nature.

The ores are sulphides of zinc, iron, copper and lead, carrying sulphurets of silver and native silver, with occassionally a trace of gold. I am of the opinion that the proportion of gold will increasewhen greater depth is gained on the vein.

These minerals occur as impregnations in both varieties of the quartz gangue, but principally in that of the gray color. The ore masses so far opened, occupy, in places, a part of the quartz seams and, in other places, the whole width.

In the centre axis of each mass is generally a core of the richer material of very high grade.

The great bulk of these chimneys is concentrating material which will average, when taken out in masses and without sorting, from six to ten ounces of silver per ton.

The rich ore of each mass willmill from $I00 to $I50 per ton and can be sold without passing through the mill.

IMPROVMENTS UNDERGROUND.

The section and profile of the workings hereto attached exhibit the principal openings on the vein. Exclusive of stopes, the developments foot up as follows:-

Crosscut tunnels.....	475	feet
Drifts on the vein.....	I225	"
Winzes " " "	300	"
Shaft " " "	200	"
Total	2200	Ft.

All these galleries are timbered. In upper levels the timbering has in places given away (principally around the old stopes), but wherever connections to secure good ventilation have been threatened, they have been carefully retimbered. All the main working openings of the mine are provided with iron rails and turn plates.

The developments so far have resulted in the opening of two ore chimneys which are indicated on the profile by dotted lines. At two places considerable stopeing has been done.

IMPROVMENTS ON SURFACE.

These consist of a concentrating mill, a stable, a boarding house for the men, an office building, a trestle connecting the mouth of the main tunnel with the mill and a timber and forge shed at the entrance of the main tunnel of the mine.

The millbuilding is 75 feet long and forty feet wide, with an addition on its north side about 20 x 40 feet to cover a drying floor. The photograph correctly shows all these external improvements.

The mill is provided with a blake crusher(70 tons capacity) two sets of cornish rolls, 4 run sizing screen, 5 four compartment

Hartz jigs and one set of rouse slime tables. The engine will give 50 horsepower readily, and the boiler has probably about half the same capacity. The miniumcapacity in its present condition is a about 30 tons in 24 hours. It will require about $500.00 in repairs to place the machinery in successful operation. Byadding one more jig and another slime table, the mill can readily handle 40 tons. It is well and solidly built and is readily of enlargment to 200 tons.

Water is provided by a covered ditch 2000 feet long, extending from the river to a point between the mill and the mine sufficiently elevated to throw water into the top of the building where a large square tank is provided to store it. All the water connections are properly covered or buried to provide against cold weather.

VALUE OF IMPROVMENTS.

The underground improvements could not have cost less, in my opinion, than $I5,000 (exclusive of stopeing). The surface Improvements have certainly cost $30,000 altogether.

COST OF OPERATING.

After carefully examining the nature of the vein and comparing it with others in which I have had considerable personal experience, I am satisfied that, aside from the question of pumping, and for the 600 feet below the present main level, the cost of mining, including the extention of the personal levels to the boundaries of the property and the rebular and steady opening of new levels, togehter with the production of ore, should not and will not exceed $2.00 perton of crude mineral delivered at the mill on a basis of 40 tons produced every 24 hours.

In the mill I estimate the daily (24 hours) cost on the same basis as follows:

Wages (9 hands)	$30.00	
Fuel (4 cords of wood)	8.00	
Lights , incidentals etc.	2.00	$40.00

This would make the cost per ton of crude ore treated $I.00. In daily yeild of I00 tons, the cost of mining should not exceed $I.75 per ron and milling 90¢. With a yeild of 200 tons mining expenses should fall to $I.50 per ton and milling to 80¢ .

CHARACTER OF THE ORE.

My examination of the ore indicated that it is well suited for concentration. The efficiency of the mill in the past is believed to have been about 75 percent. My experiments in the way of assays and pan concentration indicated that from 80 to 85 percent can be saved by careful work and with perhaps some slight modification of the system now in use. Attached hereto will be found a certificate of ten samples taken by me from various parts of the mine and mill, and assayed by Mr. W.T.Rickard,F.C.S. of this city. No.I is from a pile of refuse ore in the mill which was considered gy the owners to have been so carelessly mined as to be too low grade for profitable working in the mine.

No.2 is an average of the face level (A) in gray quartz. The entire face is in ore. No's 3 & 4 are samples of white quartz in which no ore

is visible to the naked eye.

No.5 is a sample from the floor of stope (B) and consisted almost entirely of white quartz in which a slight sprinkling of mineral is visible. It is much below what would be obtained bymaking an equal mixture of white and gray quartz existing in the stope.

Nos.6,7,8,and 9 are assays from ore that would be shipped without concentration.

No. ten is a sample of blue clay.

My conclusions from the assays are as follows:-

Ist. That the silver is almost entirely connected with the zinc, lead, copper and iron mineral in the mine and that where the latter do not appear the gangue is barren. As it is a very easy matter to separate these minerals from the quartz surrounding them, the ore is one especially well adapted for concentration.

RICKARD & SON

Aaalytical,Metallurgical and Consulting Chemists and Assayers.

Denver, Colorado 22nd. July 1887

(Duplicate)

The samples of ore which we have received from O.L.Geer, Esq. and assayed by his order is marked as under and contains.

No.	1	Silver	3.64	oz	per ton	
"	2	"	29.17	"	"	"
"3	3	"	Nil	"	"	"
"	4	"	1.21	"	"	"
"	5	"	6.08	"	"	"
"	6	"	109.80	"	"	"
"	7	"	263.71	"	"	"
"	8	"	99.65	"	"	"
"	9	"	165.28	"	"	" Gold a trace
"	10	"	Trace	"	"	"

(Explanation Over)

(Signed) Rickard & Son pr. W.T.Rickard F.C.S.

(Endorsement)

No.1 crude ore from pile refuse ore lying at mill.
" 2 Face of ore drift (A) on map No.2.
" 3 White gangue free from visible ore N. drift.
" 4 White Gangue free from visible ore south drift.
"5 Floor of old stope, B map No. 2.
" 6 Shipping ore.
" 7 Selected pyrites ore.
" 8 Selected zinc ore.
" 9 selected jig bedding.
"10 Black Clay.

2nd. That the base minerals are inherently high grade in silver, and wherever they occur naturally concentrated, they will be found sufficiently rich for shipping direct to market.

COMMERCIAL VALUE OF THE PROPERTY.

My opinionnon this point has been formed almost entirely by an examination of the results of working the mine and mill in the past. It is impossible to sample the mine by hand with anything like the degree of accuracy that is obtained by stopeing large quantities of the ore, running the same through the mill, and selling the product in the openmarket. It appears from records of the property that about 4500 tons of crude ore have been moned, and all but about 5½ tons passed through the mill. This 5½ tons was shipped direct to the smelter without concentration,. The following is as complete a statement of the entire business, as I have found it possible to obtain:-

(See tables on pages I6& I7)

Condensed, this statement gives the follwoing figures:-

Gross weights of concentrates at mill	337.I5 tons
Net weights of concentrates at Denver	3I3.29 "
Gross weights of shipping ore at mine	5.66 "
Net weights of shipping ore at Denver	5.48 "
Ounces of silver in concentrates.....	29,375.40 ounces
Ounces of silver in shipping ore.....	67I.96 "
Average net contents of crude ore perton.....	6.43 "
Average gross contents(allowing 25% loss in concentration.....	8.48 "
Average contents shipping ore.....	I22.68 "
No. of tons of crude ore concentrated into I ton of concentrates.....	I3.33 tons
Value of concentrates per ton at mill, (ready for shipment).....	$68.23

An examination of the diagram of the mine on pages..... of this report, shows all this ore has been taken from two stopes shown on section and that the ore faces are now in sight in three ~~pl~~ places, namely (C D A B) I have made no effort to estimate the probable ore in sight, for the ore bodies that are reached are not even partially surrounded. In my opinion, however, there is no question as to the capacity of the mine to produce an abundance of mineral of the same or better grade than that heretofore mined and the quantity that can be taken out, depends almost wholly upon further opening of the mine before attempting to call on it for steady, continuous and large tonnage. I have no hesitation in recommending the property as a highly profitable investment, providing such steps are taken.

REQUIREMENTS OF THE PROPERTY.

The lower tunnel should first be driven into the hill a distance of I40 feet beyond the vein, and a main working shaft begun. This should be a vertical shaft and if the vein maintains its present dip of 65 degrees, it will be cut at a depth of 300 feet. This shaft should be continued downwards steadily, and at every I00 feet crosscuts should br driven to the vein and levels driven north and south to the full extent of the claim.

Meantime the second level as it now exists should be pushed ahead in both directions and at every 200 feet or less, according to the appearance of the vein, cross-cuts should be driven from wall

to wall.

Assuming the new shaft to be sunk to a total depth of 600 feet below the present second level, the latter to be opened to the full extent of the claim, the new work required may be summarized as follows:-

Shafting 600 feet at $20 per foot.....	$I2,000.00
Levels, I0,000 ft. at $5.00 per foot...	50,000.00
cross-cuts, I500 ft. at $5.00 per ft...	7,500.00
winzes, 2400 ft.at$5.00 per foot.....	I2,000.00
Total	$8I,500.00

To these figures should be added the following items:

hoisting plant.....	4,500.00
Pumping plant.....	3,500.00
Rails, tools and extra timbering.....	2,500.00
Total	$92,500.00

RESULTS OF THIS DEVELOPEMNT.

My experience in fissure mining in various parts of Colorado, as well as my knowledge of actively worked mines in many parts of the west, has led me to the conclusion that of the total area of an ordinarymineral vein, from one sixth to one fourth isore and five sixth to three fourths is barren. Adopting, for safty, the lowest figure in this case and disregarding for the present all that part of the Governor vein in or above the present level,I amconfident that it will be safe to assume that the development of the mine to the depth of 600 feet as above outlined, will expose I50,000 square feet of ore.

In the existing workings the ore bodies have been found to be from ' to I5 feet in width. It will be entirely safe to assume an average of tenfeet for the thickness of those below. Adopting this figure, the de developement suggested will open one andone-fourth million cubic feet of ore which at an average of I2 cubic feetper ton, will equal I25,000 tons.

On the above present second level of the mine and within thelimit of the property I estimate on the same basis that there will be found 20,000 tons of ore in addition to the 4,500 tons already extracted. Hence in making a calculation of the possibilities,if the mine when opened to a depth of 600 feet feet below the second level, no serious error would be made in basing the estimate on a total yeild of I45,000 tons of crude mineral. With a milling capacity of 40 tons, this supply will last 8 and one half years. If the capacity is increased to I00 tons, it will last for nearly five years; and if to 200 tons, for two and one-third years.

A mine is considered to be in working condition when the ground is sufficiently opened by shafts and levels to showcontinually a years supply of stopeing ground in advance of the milling capacity of the property. In the case of the Governor mine, if themill is not enlarged, it would probably be reopened for concentration within six months after inaugurating the developments suggested. But if it is increased to 200 tons, it should not be started till the shaft has reached a depth of 300 feet and until the third and fourthlevels are completely open and the fifth well under way. If the milling capacity is enlarged to only I00 tons the work of concentration can be begun when the third level is completed and the fourth begun.

PROFITS

The following are the estimates of the profits which may be expected on the basis of creating respectively 40,000 and 200 tons daily (24 hours). In making these calculations I take the grade of ore at 8½ ounces per ton, the loss at 20%, the condensation of material at I3 into I, and the number of working days per annum 300. I adopt $I22.68 as the aderage value of shipping ore and $70 per ton as the average value of the consentrated product at the mill ready for shipment. The cost of shipment to market in the past has been $7.50 per ton. In the future it should not exceed $6.50 but I use the former figure.

Production of 40 tons per 24 hours:-

Income:

900 tons concentrates at $70.00 per ton.....	$63,000.00
I3 I/3 tons of ore at $I22.68 " ".....	I,635.73
	$64,635.73

Expenses:

Mining I2,000 tons at $2.00	$24,000.00	
Milling " " " I.00	I2,000.00	
Marketing 9I3 I/3 tons at $7.50	6,850.00	42,850.00
Annual profits		$2I,785.73

Production of I00 tons per 24 hours:-

Income:-

2,307 tons concentrates at $70.00 perton	$I6I,490.00
33 I/3 tons of ore @ $I22.68	4,089.33
	$I65,579.33

Expenses:-

Mining 30,000 tons @ $I.75	$52,500.00	
Milling " " @ .90	27,000.00	
Marketing 2,340 I/3 tons @ $7.50	I7,552.50	97,052.50
Annual profits		$68,526.83

Production 200 tons in 24 hours:-

Income:-

4,6I5 tons concentrates @$70.00	$323,050.00
67 tons ore @ $I22.68	8,2I9.56
	$33I,269.56

Expense:-

Mining 60,000 tons at $I.50	$90,000.00	
Milling 60,000 " " .80	48,000.00	
Marketing 4,682 tons @&.50	35,II5.00	$I73,II5.00
Annual profits		$I58,I54.56

The foregoing figures are all outside ones and in the work I am confident may be materially reduced. For instance, the shaft should not exceed $I5.00 per foot, and the drifts, winzes and cross-cuts $4.00. Again, the proportion of workable ore is more likely to be One fifth than one sixth of the plane of the vein; in which case, the item of mining expense will be materially reduced by reason of the larger proportion of stopeing ground. Lastly, in a well arranged concentrating mill of I00 to 200 tons the cost of operatingcan ,without question, be brought down to 50 or 60 cents per ton.

In making estimates on this property for myself I should not hesitate to add 25% to those figures represneting net profits.

The proper market for Breckenridge ore is Leadville, 22 miles away and not at Denver. At present on account of discrimination on the part of the railroads, it costs as much to ship to one as to the other. This condition of affairs is likely to be changed in the near future, in which event the cost of marketing the ore will be reduced to about $5 per ton.

GENERAL STATISTICS OF THE BUSINESS.

Mining for precious metal begun in Summit county in I860. Until I869the production was entirely gold; in the latter year the silver mines of Montezuma about I0 miles northeast of Breckenridge were discovered. In I879 those of Kokoma about 7miles southwest of Breckenridge were opened, and in the succeeding year promising silver mines were discovered at Breckenridge. In I88I silver mines of Red Cliff in the same county became valuable. The total production of the four districts (including also small shipments from recentlyopened mines around Frisco, Dillon and Keystone) small camps eight to ten miles northeast of Breckenridge has been as follows;-

Gold.....	$6,900,000.00
Silver.....	8,220,000.00
Total	$I5,I20,000.00

In the year of I866,the product of the mines of the United States of all kinds of metal and coal, exceeded in value at the pit'smouth the sum of $428,000,000.00. Of this total about $90,000,000.00 were precious metals, and over $50,000,000.00 was silver. Silver mining proper began in the United States in I860-6I. Previous to that date it isestimated that about $I,000,000.00 in silver had been taken out of the gold produced by California mines. In I86I, mines worked wholly for silver in Western United States, yeilding about $2,000,000.00; In I864, the production exceeded $I0,000,000.00; In I872, the yeild was a few dollars short of $20,000,000.00; the $30,000,000.00 mark was passed in I875, and the $40,000,000.00 in I882. Last year the production was $52,I36,85I.00. The Total yeild of American mines of white metal ,to date, has been in round figures about $750,000,000.00. The Industry is there fore about forty years old and of sufficient importance to take rank among the great commercial occupations of the day.

In conclusion, I desire to express much satisfaction with the present condition of the Governor property, and strong confidence in its future. It is not a property that can be exhausted in a few years, but one that will be paying handsomely a quarter of a century from now. It is only necessary to look carefully over the western United States to satisfy one's self that precious metal mining is at present a legitimate ane highly profitable business, every year securing more of confidence of those who go into it on business principles, and every year yeilding as a whole, larger proportional returns. In the early days of every mining camp, failures are numerous. These, in the majority of cases, are the result of such inperfect facilities for transportation and such crude knowledge of mineral formation of the districts as may be expected in a new country separated from recognized business centres by long distance and high mountain ranges. But when a mining town has been placed in communication with the rest of the world by rail, and where sufficient exploration under ground has been to permit a careful study of the geology and mineralogy of the district, and where enough ore has been out to display its average characteristics and value, success is more certain than in any line of merchandising. I find that all these conditions have been complied with in the Governor mine, and I am confident that it can be made a highly profitable property.

(Signed)

Theo, F. Van Wegenen, M.E.
Denver, Colorado

COPY

THE DENVER PUBLIC SAMPLING WORKS.

J.W.Marshal,Pres.
O.P.Whitcomb, Supt.

Works 31st St. Bridge
Office No.5 Windsor Block

We hereby certify that the following is a correct list of ores and concentrates bought by us from the Governor mine, Summit County, Colorado.

Lot number	Gross weight	Silver Ozs.	Value per ton	Total value
676	9,229	105.7	$ 93.00	414.12
677	17,904	183.0	175.40	1,428.89
678	26,030	97.75	85.40	1,017.79
754	31,077	143.00	132.00	1,866.48
786	37,069	30.50	17.75	397.92
798	17,190	136.00	128.97	992.10
799	15,848	145.50	136.00	975.52
816	25,160	129.00	113.00	1,265.24
846	31,125	31.8	17.00	234.14
847	21,402	105.00	92.00	881.31
900	25,922	102.00	90.26	1,052.88
925	20,000	20.00	4.00	34.00
938	33,848	53.00	39.84	586.80
1020	23,090	71.00	58.00	605.88
1031	21,004	34.25	20.00	190.09
1064	20,104	125.06	107.00	1,021.79
1068	16,187	61.7	44.00	327.22
1085	19,200	114.25	97.00	893.95
1114	18,422	54.8	39.37	340.88
1133	20,528	108.32	93.82	914.93
1174	23,980	127.42	111.00	1,317.57
1283	36,970	76.30	60.00	1,098.00
1284	36,007	136.20	120.00	2,138.82
1958	15,610	73.60	58.91	423.03
1987	11,860	70.40	55.35	315.10
1988	16,920	30.8	17.41	146.66
2091	20,135	124.7	119.38	1,029.27
2092	13,454	25.0	12.88	81.01
2301	2,106	175.0	156.50	161.50
2302	21,341	94.67	76.07	614.56
2303	11,587	33.0	18.00	101.69
2861	18,143	92.42	79.03	706.17
2862	7,205	44.03	31.22	110.78

(COPY)

(Signed) O.P.Whitcomb,Supt.