FILE COPY
SURNAME:

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

Herres
Lyons
McKnight
O'Leary
(For Mote)

July 11, 1951

Memorandum

Re: DMA-692

To: Reports and Records Unit
Administrative Management Division

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

Subject: Recommendation for denial of application DMA-692

Attached is the application for a loan submitted by the Johnston Mining Company of Villa Grove, Colorado, to explore the Little Jenny and Brighton claims in Saguache County, Colorado.

Also attached is "Review of Application for Exploration Assistance" recommending the above action (see recommendation at end of the review).

Otto Herres

Approved:

Tom Lyon
Director, Supply Division

Otto Herres, Chief
Lead-Zinc Branch

Attachments

EJLyons:emp
G 7-11-51

Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
L. F. Strobel
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

July 11, 1951

Memorandum

Re: [illegible]

To: [illegible] Records Unit
Administrative Management Division

From: Chief, [illegible] Branch, [illegible]

Subject: Recommendation for denial of application [illegible]

Enclosed in the application for a lease submitted by the Johnston Mining Company of Pike Grove, Colorado, to explore the Little Jenny and Brighton mining in Arapahoe County, Colorado.

Also attached is "Review of Application for Exploration Permit" recommending the above action. See recommendation at end of the review.

Otto Herres

Approved:

Tom Lyon

Director, Supply Division
of Technology

Otto Herres, Chief
Land-Mine Branch

Lyon:emp
G 7-11-51

Copies to: J. [illegible] East, Jr. Region IV (2)
Chief, Land-Mine Br.
[illegible] Knight [illegible]
R. H. Lute
L. [illegible] Strobel
Directors r. file [illegible]
Br. r. file [illegible]
Files

FILE COPY
SURNAME:

Herron
Lyon
McKnight
O'Leary
(For Mote)

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

Re: DMA-692

Johnston Mining Company
Bonanza Route
Villa Grove, Colorado

Gentlemen:

The Lead-Zinc Branch of the Defense Minerals Administration has reviewed your application for a loan to explore the Little Jenny and Brighton claims in Saguache County, Colorado.

Your answer to item 9 of Form MF-103, relating to the amount of money the applicant is prepared to contribute, would indicate that your share of the project would be in the form of money which you have already invested in the property. As stated in section 13 of Form MO-5, a copy of which was sent you, no credit toward an exploration loan can be given for work performed or costs incurred before the date of the contract.

In view of the above, we regret that we cannot approve the expenditure of Government funds for the project you propose.

Very truly yours,

Tom Lyon
Tom Lyon, Director
Supply Division

EJLyons:emp
G 7-11-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Branch
E. T. McKnight 4204 GSA
R. H. Mote
L. F. Strobel
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

Certified

Schwatka Mining Company
Route
Ville Grove, Colorado

Gentlemen:

The Defense Plant Corporation has reviewed your application for a loan to explore the Little Jenny and Pre [illegible] claims in Saguache County, Colorado.

Your answer to item 3 of Form [illegible], relating to the amount of money the applicant is prepared to contribute, would indicate that your share of the project would be in the form of money which you have already invested in the property. As stated in section 12 of Form [illegible], a copy of which was sent you, no credit toward an exploration loan can be given for work performed or costs incurred before the date of the contract.

In view of the above, we regret that we cannot approve the expenditure of Government funds on the project you propose.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

WLyons:emp
7-11-51
Copies to: [illegible], Dr. Region IV (2)
Chief, Land-Mine Branch
[illegible] McKnight [illegible]
[illegible]
[illegible] Strobel
Directors r. file [illegible]
Dr. r. file [illegible]
Files

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

G. E. C.

July 11, 1951

Memorandum

Re: DMA-692

To: Reports and Records Unit
Administrative Management Division

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

Subject: Recommendation for denial of application DMA-692

Attached is the application for a loan submitted by the Johnston Mining Company of Villa Grove, Colorado, to explore the Little Jenny and Brighton claims in Saguache County, Colorado.

Also attached is "Review of Application for Exploration Assistance" recommending the above action (see recommendation at end of the review).

Otto Herres, Chief
Lead-Zinc Branch

Approved:

Director, Supply Division

Attachments

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA-692

Commodity Zinc-lead

Total Amount $50,000

Govt. Participation 50%

1. Name and Address of Applicant Johnston Mining Company, Bonanza Route, Villa Grove, Colorado

2. Location of Property Little Jenny and Brighton Claims. Sec. 18, T. 47 R. 8 E., Saguache County, Colorado

3. Mineral or metal Lead-zinc-copper-silver Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good See attached report by W. S. Burbank

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project? (If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes (question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? Yes

Does the lease have sufficient time to run to cover a future productive period? Yes

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes

a) MF-201? Don't know

b) MF-202 Yes

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? No

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

Is a field check needed on this point? No

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes (see original application)

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

10. Exhibit A

Equipment purchase.....	$ 10,000.00
Rehabilitation of tunnel.....	1,800.00
Estimated 570 ft. of drifting at $11.67 per foot.....	6,650.00
	$ 18,450.00

Is this part a worthwhile exploration project? _____

d) Are the cost estimates detailed? In part

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? Yes If so, attach a draft.

e) Are the cost estimates reasonable? Yes

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? No

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

b) If so, are sufficient data furnished? Yes If so, attach a draft.

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? Not itemized If so, attach a draft.

c) Are rents and charges reasonable? Where detailed, yes

d) Is a field check needed? Yes, or information from applicant

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No

11. Exhibit B.

Straightening 90 feet of Vallejo tunnel
at $20/ft..... $ 1,800.00

12. Exhibit C

Equipment purchase -	
Compressor, 600 cfm.....	7,500.00
Mining Machinery (not itemized).....	2,500.00
	$10,000.00

13. Exhibit D

2 Miners at $11.00 per day for estimated 75 days, $1650.....	$ 1,650.00
2 Muckers at $10.00 per day for estimated 75 days, $1500.....	1,500.00
1 Supervisor at $4800 per year, for 3 mos. = $1200.....	1,200.00
	$ 4,350.00

14. Exhibit E (question 23-c)*

a) Is it applicable? No

b) Sufficient data? _____

c) Reasonable? _____

d) Field check needed? _____

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? _____

Reviewed by: Erwin J. Lyon GS

G. A. Apell BM

Date 7-11-51

INT.-DUP. SEC., WASH., D.C. 99009

16. Recommendation

Although, on the basis of the geological information available, there appears to be a good possibility that the project proposed would be successful, it is recommended that the application be denied for the reasons stated below.

The answer given by the applicant to item 9 of Form MF-103 may be interpreted as meaning that his share of the cost of the project, in the amount of $25,000, would be in the form of credit for work performed and costs incurred previously. Furthermore, on the basis of information furnished by the applicant, the total cost of the project would be only about $18,000, for which he wants the Government to advance $25,000 to match the amount already spent by him. This also would indicate that the applicant is not prepared to provide his share of the project cost.

McKnight
O'LEARY
6/5/51 (For Mote)

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA-692

Commodity Zinc-lead

Total Amount $50,000

Govt. Participation 50%

1. Name and Address of Applicant Johnston Mining Company, Bonanza Route, Villa Grove, Colorado

2. Location of Property Little Jenny and Brighton Claims, Sec. 18, T. 47 R. 8 W., Saguache County, Colorado

3. Mineral or metal Lead-zinc-copper-silver Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good See attached report by W. S. Burbank

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project? (If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes (question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? Yes

Does the lease have sufficient time to run to cover a future productive period? Yes

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes

a) MF-201? Don't know

b) MF-202 Yes

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? No

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

Is a field check needed on this point? No

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes (see original application)

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

10. Exhibit A

Equipment purchase.....	$ 10,000.00
Rehabilitation of tunnel.....	1,800.00
Estimated 570 ft. of drifting at $11.67 per foot.....	6,650.00
	$ 18,450.00

Is this part a worthwhile exploration project? _____

d) Are the cost estimates detailed? In part

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? Yes If so, attach a draft.

e) Are the cost estimates reasonable? Yes

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? No

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

b) If so, are sufficient data furnished? Yes If so, attach a draft.

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? Not itemized If so, attach a draft.

c) Are rents and charges reasonable? Where detailed, yes

d) Is a field check needed? Yes, or information from applicant

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No

11. **Exhibit B.**

Straightening 90 feet of Vallejo tunnel
at $20/ft..... $ 1,800.00

12. **Exhibit C**

Equipment purchase -

Compressor, 600 cfm.....	7,500.00
Mining Machinery (not itemized).....	2,500.00
	$10,000.00

13. **Exhibit D**

2 Miners at $11.00 per day for estimated 75 days, $1650.....	$ 1,650.00
2 Muckers at $10.00 per day for estimated 75 days, $1500.....	1,500.00
1 Supervisor at $4800 per year, for 3 mos. = $1200.....	1,200.00
	$ 4,350.00

14. Exhibit E (question 23-c)*

a) Is it applicable? No

b) Sufficient data?

c) Reasonable?

d) Field check needed?

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question?

Reviewed by: Erwin J. Lyon GS

G. A. Apell BJ

Date 7-11-51

INT.-DUP. SEC., WASH., D.C. 99009

16. **Recommendation**

Although, on the basis of the geological information available, there appears to be a good possibility that the project proposed would be successful, it is recommended that the application be denied for the reasons stated below.

The answer given by the applicant to item 9 of Form MF-103 may be interpreted as meaning that his share of the cost of the project, in the amount of $25,000, would be in the form of credit for work performed and costs incurred previously. Furthermore, on the basis of information furnished by the applicant, the total cost of the project would be only about $18,000, for which he wants the Government to advance $25,000 to match the amount already spent by him. This also would indicate that the applicant is not prepared to provide his share of the project cost.

FILE COPY
SURNAME:

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

July 6, 1951

Johnston Mining Company
Via Villa Grove
Colorado

Subject: DMA-692X
Re: Exploration Loan -
Foster Group

Gentlemen:

Receipt is acknowledged of your application and attachments of June 26, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-692X and referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on July 6, 1951.

In any future correspondence relating to your application, kindly refer to DMA-692X.

Sincerely yours,

LANDON F. STROBEL
jc

Landon F. Strobel
Executive Secretary

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

DMA 692

FILE COPY
SURNAME:

Herres
McKnight

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

July 6, 1951

DMA-692
Johnston Mining Company
Bonanza, Colorado

Mr. Merle M. Marshall
~~514 San Juan Avenue~~
Alamosa, Colorado

Dear Mr. Marshall:

In answer to your request of June 29, I am pleased to enclose 6 additional copies of form MP-202.

In case I can be of further assistance to you, kindly let me know.

Very truly yours,

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

Enclosures - 6

OHERRES:ks

cc: Reports and Records Unit
Mote
McKnight
Herres
Files

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA FOR USE UNDER THE DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma 692 X

Date received 7-6-51

Johnston Mining Company
Bonanza, Colorado
via, Villa Grove, Colorado.

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

Name and address of applicant

Date June 26, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124–A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*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.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
P. H. Wallin Bonanza, Colo.	D President	2500.	5000.	5000			
Lawrence R. Johnston 210 Quray St Grand Jct., Colo	D Vice-president	1800.	3000.	3000.			
L. C. Johnston Bonanza, Colo.	D Sec-Treas.	4800.	6000.	5000.			
J. N. Charles Toole, Utah				1000			
M. M. Marshall Alamosa, Colo.				1000			
	Total	9100.	x x x x x	13000		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$ 50,000.	$ ~~18~~18,500	$ 1.00	18,500	
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)				70 Tons	35 T
2. Quantity of product processed (specify unit of measure and type of process)				No	
3. Quantity and grade of product sold or shipped (specify units of measure)				Do	

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. Yes; Est 200 T per month with Compressor and proper machinery.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

Lead-zinc vein av. 10 inches for 350 ft long; Best description is in USGS

Professional Paper 109, Report on Geology and Ore Reserves

See former application IHA-692

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve. See 12 (a)

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)	4000	15-20 Zinc 10-15 Lead	$15.00 $20.00	.87 Zinc 2.15 Lead	$6.00
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.
112 miles to Leadville, Colo. Mill and Smelter, paved except 17 miles.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.
Good supply water need for all operations all seasons.

15. Power:

State amount of power used, rate per hour, and source thereof.
Will use Diesel Engine Power.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.
Three miners.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation. Buildings good condition.
will obtain power machinery proceeds loan.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

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.

Johnston Mining Company
(Name of company)

By T. Johnston
(Signature of authorized official)

June 26 1951
(Date)

Secretary-treasurer.
(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.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

1. Materials produced:
   (a) Lead and Zinc.
   (b) Silver and Copper.

2. Name (s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s)s, quarry(s
   (s), drilling operation(s).
   (a) Jenny Claim, 100 ft shaft, two winzes 50 ft each; Brighton Claim 40 ft winz:
   (b) Jenny 80 ft crosscut, 460 ft drift; Brighton 150 ft crosscut; Sosthenis Claim 1000 ft tunnel.
   (c) See above
   (d) Air raise 120 feet on Jenny.
   Mine not flooded, no pumping problems.

3.
   (a) SW Leadville, Colorado, 112 miles, Smelter and Mill at Leadville.
   (b) Kerber Creek Mining District
   (c) Township 47, Section 18, Range 8 East.
   (d) Saguache County, State of Colorado.

4. Property now in operation by Johnston Mining Company.
   (b) Operating as Lessee.

5. In production since November 1950.

6. (a) Applicant is a new corporation, (b) L.G.Johnston mine Superintendent and President of the Company 30 years mining experience, 20 years of which has been as supervisory character .

7. Complete history (a) (b) (c) in USGS Professional Paper # 169; No work since 1900 until opened by applicant November 1950

1. Applicant is a corporation

7. Copy of lease attached.
8. Financial statement: (Time of Organization)

Assets:	
Mining leases	$50 000.00
Timber	700 00
Track Steels equipment	1 860 00
Organization expense	175 00
Ore shipped	735 89
	53 470 89
Liabilities.	
Supt., and Miners wages and salaries	11 400 00
Stock outstanding	18 500 00
	29 900 00
Authorized capital stock	50 000 00

9. Invested now almost $25,000.00 will be able go that far as stated and should be sufficient pay company's part project.
10. Mining Lease dated Jan., 1, 1950 on Vallejo U.S. Survey No. 14110 and Southenia U.S. Survey No. 2548, Mining Claims, Kerber Creek Mining District, Saguache County, Colorado, recorded in Book 224 Page 152 of Saguache County Records.

Mining Lease Dated Nov., 8, 1949 on the following Mining Claims in Kerber Creek Mining District Saguache County, Colorado, to-wit;

The Fryson Lode Mining Claim U.S.Patent Survey No. 787					
Radcliff	"	"	"	"	616
Glennevir	"	"	"	"	16744
Mount Joy	"	"	"	"	16744
Brighton	"	"	"	"	16744
Little Jenny	"	"	"	"	771

(b) Exploration to be conducted on the Little Jenny and Brighton Claims.

11. Answered
12. Answered
13. Answered. Very little water will be required for this type of mining.
14. Tunnels, drifts, crosscuts, winzs, track, ore bins, portal buildings.
15. Shipped in trucks to Leadville, Colorado, Mill and Smelter.
16. Answered
17. Answered
18. Answered
20. Lead and Zinc, by products copper and silver.
21. Proposed as soon as can get Diesel Compressor on lease to immediately explore crosscuts and winz opened; should be 90 days to produce 100 tons per month.
22. Refer to USGS Professional Paper 169 which gives all this data.
23. (a) Require 4 men on development work and three on the production
    Three miners @ $12.00 Four Muckers @ $10.00
    (b) One Supervisor, L. G. Johnston, $4800.00 yr
    (c) No repairs necessary to existing facilities
    (d) No construction necessary except straightening 90 feet in Vallejo tunnel at probable cost of about $20.00 Ft.
    (e) Compressor $7500.00, Machines $2500.00
    (f) Do not propose to rent
    (g) None
    (h) Explosives and Timber, $2000.00
    (i) Diesel power $4.00 per day for fuel.
24. Three months, with above expenditures, should put into production of around 100 Tons per month.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. dma 692 X

Date received 7-6-51

Participation

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

Name and address of applicant

Johnston Mining Company
Lonerim, Colorado,
Via Villa Grove, Colorado.

Date June 26 1951

FILL IN THIS BLOCK

Date of application June 26 1951

Estimated cost $50,000.00

Mineral or metal Zinc & Lead

Percentage of Government participation 50%

Location of mine Sangre Cristo Mining District
Saguache County, Colorado (Lonerim)

Date of filing MF-100 April 10, 1951

DMA Docket Number, if available 1900-692

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)?

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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.
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*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.

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

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

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THE EXPLORATION

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

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

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

Johnston Mining Co. By [signature]
(Name of company) (Signature of authorized official)

June 26 1950 Sec-Treas
(Date) (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

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. dma 692 X

Date received 7-6-51

Participation

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

Johnston Mining Company
Bonanza, Colorado,
Via Villa Grove, Colorado.

Name and address of applicant

Date June 26 1951

FILL IN THIS BLOCK

Date of application June 26 1951

Estimated cost $50,000.00

Mineral or metal Zinc & Lead

Percentage of Government participation 50%

Location of mine Kerber Creek Mining District
Saguache County, Colorado (Bonanza)

Date of filing MF-100 April 10, 1951

DMA Docket Number, if available DMA-692

INSTRUCTIONS

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*5. Are you the owner or the lessee of the property?
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16—64067-1

THE PROPERTY

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*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.

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(*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.

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THE REQUIREMENTS AND COSTS

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

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(*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.

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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.

Johnston Mining Co
(Name of company)

By T. J. Johnston
(Signature of authorized official)

June 26, 1950
(Date)

Sec-Treas
(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

1. Applicant is a corporation

7. Copy of lease attached.
8. Financial statement: (Time of Organization)

Assets:	
Mining leases	$50 000.00
Timber	700 00
Track Steels equipment	1 860 00
Organization expense	175 00
Ore shipped	735 89
	53 470 89
Liabilities.	
Supt., and Miners wages and salarèes	11 400 00
Stock outstanding	18 500 00
	29 900 00
Authorized capital stock	50 000 00

9. Invested now almost $25,000.00 will be able go that far as stated and should be sufficient pay company's part project.
10. Mining Lease dated Jan., 1, 1950 on Vallejo U.S. Survey No. 14110 and Sosthenis U.S. Survey No. 2548, Mining Claims, Kerber Creek Mining District, Saguache County, Colorado, recorded in Book 224 Page 152 of Saguache County Records.

Mining Lease Dated Nov., 8, 1949 on the following Mining Claims in Kerber Creek Mining District Saguache County, Colorado, to-wit;

The Payson Lode Mining Claim	U.S.	Patent	Survey	No.	787
Radcliff	"	"	"	"	616
Glennevis	"	"	"	"	16744
Mount Joy	"	"	"	"	16744
Brighton	"	"	"	"	16744
Little Jenny	"	"	"	"	771

(b) Exploration to be conducted on the Little Jenny and Brighton Claims.

11. Answered
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13. Answered. Very little water will be required for this type of mining.
14. Tunnels, drifts, crosscuts, winzs, track, ore bins, portal buildings.
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Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. dma 692 X

Date received 7-6-51

Participation

Johnston Mining Company
Bonanza, Colorado,
Via Villa Grove, Colorado.

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

Name and address of applicant

Date June 26 1951

FILL IN THIS BLOCK

Date of application June 26 1951

Estimated cost $50,000.00

Mineral or metal Zinc & Lead

Percentage of Government participation 50%

Location of mine Kerber Creek Mining District
Saguache County, Colorado (Bonanza)

Date of filing MF-100 April 10, 1951

DMA Docket Number, if available DMA-692

INSTRUCTIONS

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16—64007-1

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Budget Bureau No. 42-R1035.
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DMA Docket Number, if available DMA-692

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.

JUL 6 1951

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.

Johnston Mining Co
(Name of company)

By L. A. Johnston
(Signature of authorized official)

June 26/1950
(Date)

Sec-Treas
(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

1. Applicant is a corporation

7. Copy of lease attached.
8. Financial statement: (Time of Organization)

Assets:	
Mining leases	$50 000.00
Timber	700 00
Track Steels equipment	1 860 00
Organization expense	175 00
Ore shipped	735 89
	53 470 89
Liabilities.	
Supt., and Miners wages and salarêes	11 400 00
Stock outstanding	18 500 00
	29 900 00
Authorized capital stock	50 000 00

9. Invested now almost $25,000.00 will be able go that far as stated and should be sufficient pay company's part project.
10. Mining Lease dated Jan., 1, 1950 on Vallejo U.S. Survey No. 14110 and Sosthenis U.S. Survey No. 2548, Mining Claims, Kerber Creek Mining District, Saguache County, Colorado, recorded in Book 224 Page 152 of Saguache County Records.

Mining Lease Dated Nov., 8, 1949 on the following Mining Claims in Kerber Creek Mining District Saguache County, Colorado, to-wit;

The Payson Lode Mining Claim	U.S.	Patent	Survey	No.	787
Radcliff	"	"	"	"	616
Glennevis	"	"	"	"	16744
Mount Joy	"	"	"	"	16744
Brighton	"	"	"	"	16744
Little Jenny	"	"	"	"	771

(b) Exploration to be conducted on the Little Jenny and Brighton Claims.
11. Answered
12. Answered
13. Answered. Very little water will be required for this type of mining.
14. Tunnels, drifts, crosscuts, winzs, track, ore bins, portal buildings.
15. Shipped in trucks to Leadville, Colorado, Mill and Smelter.
16. Answered
17. Answered
18. Answered
20. Lead and Zinc, by products copper and silver.
21. Prposed as soon as can get Diesel Compressor on lease to immediately explore crosscuts and winz opened; should be 90 days to produce 100 tons per month.
22. Refer to USGS Professional Paper 169 which gives all this data.
23. (a) Require 4 men on development work and three on the production Three miners @ $10.00 Four Muckers @ $10.00
    (b) One Supervisor, L. G. Johnston, $4800.00 yr
    (c) No repairs necessary to existing facilities
    (d) No construction necessary except streightening 90 feet in Vallejo tunnel at probable cost of about $20.00 Ft.
    (e) Compressor $7500.00, Machines $2500.00
    (f) Do not propose to rent
    (g) None
    (h) Explsovès and Timber, $2000.00
    (i) Diesel power $4.00 per day for fuel.
24. Three months, with above expenditures, should put into production of around 100 Tons per month.

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA

FOR USE UNDER THE

DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma 692X

Date received 7-6-51

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

Johnston Mining Company
Bonanza, Colorado
via, Villa Grove, Colorado.

Name and address of applicant

Date June 26, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124–A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*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.

1. Materials produced:
   (a) Lead and Zinc.
   (b) Silver and Copper.

2. Name (s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s)s, quarry(s), drilling operation(s).
   (a) Jenny Claim, 100 ft shaft, two winzes 50 ft each; Brighton Claim 40 ft winz:
   (b) Jenny 80 ft crosscut, 460 ft drift; Brighton 150 ft crosscut; Sosthenis Claim 1000 ft tunnel.
   (c) See above
   (d) Air raise 120 feet on Jenny.
   Mine not flooded, no pumping problems.

3.
   (a) SW Leadville, Colorado, 112 miles, Smelter and Mill at Leadville.
   (b) Kerber Creek Mining District
   (c) Township 47, Section 18, Range 8 East.
   (d) Saguache County, State of Colorado.

4. Property now in operation by Johnston Mining Company.
   (b) Operating as Lessee.

5. In production since November 1950.

6. (a) Applicant is a new corporation, (b) L.G.Johnston mine Superintendent and President of the Company 30 years mining experience, 20 years of which has been as supervisory character .

7. Complete history (a) (b) (c) in USGS Professional Paper # 169; No work since 1900 until opened by applicant November 1950

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma 692 X

Date received 7-6-51

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

Johnston Mining Company
Bonanza, Colorado
via, Villa Grove, Colorado.

Name and address of applicant

Date June 26, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124–A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*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.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
P. M. Wallin Bonanza, Colo	D President	2500.	5000.	5000			
Lawrence R. Johnston 210 Quray St Grand Jct., Colo	D Vice-president	1800.	3000.	3000.			
L. G. Johnston Bonanza, Colo.	D Sec-Treas.	4800.	6000.	5000.			
J. N. Charles Toole, Utah				1000.			
M.M.Marshall Alamosa, Colo				1000			
	Total	9100.	x x x x x	13000		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$ 50,000.	$ ~~18~~18,500	$ 1.00	18,500	
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)				70 Tons	35 T
2. Quantity of product processed (specify unit of measure and type of process)				Do	
3. Quantity and grade of product sold or shipped (specify units of measure)				Do	

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. Yes; Est 200 T per month with Compressor and proper machinery.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

Lead-zinc vein av. 18 inches for 350 ft long; Best description is in USGS Professional Paper 160

16—63792-1

Professional Paper 169, report on geology and ore reserves

See former applicati[illegible] DMA-692

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve. See 12 (a)

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)	4000	15-20 Zinc 10-15 Lead	$15.00 $20.00	.87 Zinc 2.15 Lead	$6.00
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.
112 miles to Leadville, Colo. Mill and Smelter, paved except 17 miles.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.
Good supply water need for all operations all seasons.

15. Power:

State amount of power used, rate per hour, and source thereof.
Will use Diesel Engine Power.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.
Three miners.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation. Buildings good condition, will obtain power machinery proceeds loan.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

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.

Johnston Mining Company
(Name of company)

By [signature]
(Signature of authorized official)

June 26 1951
(Date)

Secretary-treasurer.
(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.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

1. Materials produced:
   (a) Lead and Zinc.
   (b) Silver and Copper.

2. Name (s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s)s, quarry(s
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   40 ft winz:
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   Claim 1000 ft tunnel.
   (c) See above
   (d) Air raise 120 feet on Jenny.
   Mine not flooded, no pumping problems.

3.
   (a) SW Leadville, Colorado, 112 miles, Smelter and Mill at Leadville.
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   (c) Township 47, Section 18, Range 8 East.
   (d) Saguache County, State of Colorado.

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   (b) Operating as Lessee.

5. In production since November 1950.

6. (a) Applicant is a new corporation, (b) L.G.Johnston mine Superintendent and President of the Company 30 years mining experience, 20 years of which has been as supervisory character .

7. Complete history (a) (b) (c) in USGS Professional Paper # 169; No work since 1900 until opened by applicant November 1950

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma 692 X

Date received 7-6-51

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

Johnston Mining Company
Bowman, Colorado
via, Mills Grove, Colorado.

Name and address of applicant

Date June 26, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124–A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

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   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*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.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
D. M. Mallin Bonanza, Colo.	President	2500.	5000.	5000			
Lawrence R. Robertson 210 Ouray St Grand Jct., Colo.	Vice-President	1000.	2000.	2000.			
L. C. Robertson Bonanza, Colo.	Sec-Treas.	1000.	6000.	5000.			
J. N. Charles Toole, Utah				1000			
M. M. Marshall Alamosa, Colorado.				1000			
	Total	[illegible]	x x x x x	[illegible]		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$ 50,000.	$ 10,500	$ 3.00	10,500	
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)				72 tons	30 T
2. Quantity of product processed (specify unit of measure and type of process)				30	
3. Quantity and grade of product sold or shipped (specify units of measure)				30	

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. Yes; Est 200 T per month upon [illegible] and [illegible] conditions.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

[illegible] 10 [illegible] [illegible] 30 [illegible]; [illegible] [illegible]

See Sample application 71-652

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve. See 12 (c)

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)	[illegible]	15-20 Zinc 1.5-5 Lead	$15.00 $20.00	.07 Zinc 2.15 Lead	$6.00
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.
112 miles to Leadville, Colo. Mill and Smelter, paved except 17 miles.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.
Good supply water need for all operations all seasons.

15. Power:

State amount of power used, rate per hour, and source thereof.
Will use Diesel Engine Power.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.
Three miners.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation. Buildings good condition, will obtain power machinery proceeds loan.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

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.

Johnston Mining Company
(Name of company)

By J. Johnston
(Signature of authorized official)

June 26 1951
(Date)

Secretary-treasurer.
(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.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

1. Materials produced:
   (a) Lead and Zinc.
   (b) Silver and Copper.

2. Name (s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s)s, quarry(s
   (s), drilling operation(s).
   (a) Jenny Claim, 100 ft shaft, two winzes 50 ft each; Brighton Claim 40 ft winz:
   (b) Jenny 80 ft crosscut, 460 ft drift; Brighton 150 ft crosscut; Sosthenis Claim 1000 ft tunnel.
   (c) See above
   (d) Air raise 120 feet on Jenny.
   Mine not flooded, no pumping problems.

3.
   (a) SW Leadville, Colorado, 112 miles, Smelter and Mill at Leadville.
   (b) Kerber Creek Mining District
   (c) Township 47, Section 18, Range 8 East.
   (d) Saguache County, State of Colorado.

4. Property now in operation by Johnston Mining Company.
   (b) Operating as Lessee.

5. In production since November 1950.

6. (a) Applicant is a new corporation, (b) L.C.Johnston mine Superintendent and President of the Company 30 years mining experience, 20 years of which has been as supervisory character .

7. Complete history (a) (b) (c) in USGS Professional Paper # 169; No work since 1900 until opened by applicant November 1950

No. 133749

BOND AND LEASE

dma 692 X

THIS AGREEMENT OF LEASE, made and entered into in triplicate this 8 day of Nov. A. D. 1949, by and between DR. FOSTER MYERS and JESSE L. MYERS, of Toledo, Ohio, and GERTRUDE K. BALDWIN, of 250 Loam Drive, Los Angeles 26, California, hereinafter called the Lessors, and Lawrence G. Johnston and authorized to do business in the State of Colorado, hereinafter called Lessee;

WITNESSETH, That the said Lessors for and in consideration of the rents, royalties, covenants and agreements hereinafter expressed to be paid, kept, and performed by the said Lessee, its successors and assigns, have leased, let and demised and by these presents do lease, let and demise unto the said Lessee the following described mining property and premises, situate in the Kerber Creek Mining District, Saguache County, Colorado, to wit:

The Payson Lode Mining Claim U. S. Patent Survey No. 787
The Radcliff Lode Mining Claim U. S. Patent Survey No. 616
The Glennevis Lode Mining Claim U. S. Patent Survey No. 16744
The Mount Joy Lode Mining Claim U. S. Patent Survey No. 16744
The Brighton Lode Mining Claim U. S. Patent Survey No. 16744
The Little Jennie Lode Mining Claim U. S. Patent Survey No. 771

Together with all and singular the lodes, veins and ore deposits in said claims, or eigher or any of them, and all the shafts, tunnels, workings, rights, privileges, hereitaments and appurtenances thereunto belonging or in any wise appertaining; the location and boundaries of the said properties being more particularly described in the location certificates and or patents of record in the office of the Recorder of said Saguache County of Colorado.

Line 7 to 17 to be deleted from contract FM JM

TO HAVE AND TO HOLD, the above described promises for the purpose of mining, from the 8 day of Nov. A. D. 1949, to 8 day of Nov. A. D. 1954, unless sooner forfeited or terminated through the violation of any of the covenants and conditions here contained.

It is mutually understood and agreed that the Lessee herein shall have the option to extend and renew this lease agreement for an additional term of five years from the termination date hereinabove set forth providing that the Lessee shall give written notice of such intention to renew or extend to the Lessor at least six months prior to the termination date hereinabove set forth. ~~Said lessee is further given the option to purchase property involved in this lease agreement for the total sum of $35,000.00 at any time during the term of this agreement or the renewal option period.--In the event this option to purchase is exercised by the Lessee at any time during this lease period, or any extension or renewal period, then it is mutually understood and agreed that all sums paid by the Lessee as Royalty during the term of this lease agreement shall be applied towards the payment of the $35,000.00 purchase price and credited as a partial payment.--Any balance of such purchase price as so determined shall be payable in cash.~~

The said Lessee in consideration of the premises has covenanted, contracted and agreed and by these presents do covenant, contract and agree to and with the said Lessors, their executors, administrators and assigns:

(1) To enter upon said leased premises within sixty (60) days after the date hereof and to work the same in mine fashion in manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the development and preservation of said mine and mining premises, as a workable mining property, and to the special covenants herein contained.

(2) To work and mine said premises as aforesaid, steadily and continuously during the period of this lease and in doing said work to perform at least forty (40) shifts of mining labor of one man each for eight hours each shift per month, each and every month during the life of this lease.

(3) To repair all old timbering wherever it may become necessary and to well and sufficiently timber said mine and mining premises at all points where proper and necessary in accordance with good and safe mining; containing the timbering in the working shafts now upon said premises with timber of the same dimensions as heretofore used, unless it becomes necessary for safety to use larger timber, in which event timbers of sufficient size for safety and permanent mining shall be used.

(4) To allow the Lessor or their agents from time to time to enter upon and descend into all parts of said leased premises for the purpose of inspection, surveys or taking samples therefrom, and to render to said parties proper assistance in making such inspection, surveys or examination.

(5) To occupy and hold as the property of the Lessors all cross and parallel lodes, spurs and mineral deposits of every kind which may be uncovered, disclosed or discovered within said leased ground by said Lessee or any person or persons under or in privity with it, with privilege to said Lessee to work and mine the same as part and parcel of said premises.

(6) To keep at all times th[illegible]rifts, shafts, tunnels and oth[illegible] workings, thoroughly drained and clear of loose rock and rubbish, unless prevented by extraordinary mining casualty.

(7) To stow no waste underground except with the consent and under the direction of the Lessors.

(8) To do no underhand stopping below the bottom of any main level or winze and to do no stopping or breaking of ore or rock within fifteen (15) feet of any working shaft.

(9) Not to adulterate or mix any ores broken or mined without the consent of the Lessors; it being understood that all ores mined which are too low grade for present shipment to mill or smelter shall remain the property of and be subject to the control and disposition of the Lessors.

-3-

(10) To make all working shafts at least four (4) feet by six (6) feet in the clear; all drifts and tunnels at least three and one-half ($3\frac{1}{2}$) feet by six (6) feet in the clear, and all winzes and raises at least three and on-half ($3\frac{1}{2}$) feet by five (5) feet in the clear.

(11) It is expressly understood and agreed that the Lessors reserve the property and right of property in and to all ores extracted from said premises during the period of this lease, and the said Lessee covenants and agrees to pay and allow the Lessors as royalty upon all ores mined, shipped or sold from said leased premises in any manner during the life of this lease, as follows to wit:

Ten (10) percent of the mill or smelter net returns on all ores so mined and sold.

All settlements to be made upon the smelter, mill or sampler net assay values, after deducting therefrom the actual hauling and freight charges and all mill or smelter treatment charges.

(12) All royalties payable hereunder shall be sent to the Lessors, by the smelter, mint or mills to which the ore is sent; duplicate copies of all smelter, mint or mill settlement sheets submitted by the smelter, mint or mill treating said ore, and that said smelter, mint or mill is to pay said royalty upon each shipment direct to the parties (Lessors) as soon as settlement is made for the ore so treated.

(13) The Lessee agrees that in the working of said properties, if four (4) or more men are employed in such work, he will obtain from a reliable insurance company, or from the State Compensation Fund, an insurance policy to protect said workmen against accidents, and that the Lessors and the properties herein demised under no circumstances shall be liable for any compensation to injured workman nor for any liens for work performed and materials furnished, a copy of said insurance policy shall be furnished to Lessors and

-4-

and the Lessee further agrees to post said properties immediately upon the execution of this lease with sufficient notices in prominent place to the elects that neither the properties herein demised nor the Lessors shall be liable for compensation to injured workmen, or for any labor performed or materials furnished, and agrees that at all times he will keep said properties posted.

(14) All taxes assessed against said demised premises for ores mined and shipped under this lease shall be paid by the Lessee.

(15) All bills and expenses incurred by the Lessee or those in privity with it shall be promptly paid monthly by the Lessee, and by such prompt payment said Lessee shall prevent the filing of any and all liens of miners, mechanics or material men against said demised premises.

(16) Said Lessee further covenants that no person not in privity with the parties hereto shall be allowed to hold possession of said premises or any part thereof under any pretext whatever. No sub-leasing is permitted without the consent of the Lessor.

(17) Furhter, that it will deliver to said Lessors quiet and peaceable possession of said demised premises in good order and condition with all drifts, tunnels and other passages thoroughly drained and cleared of loose rock and rubbish and said premises ready for immediate continued working, without demand or further notice on the 8 day of November A. D. 1954 or on November 8, 1959 in the event the option to extend is exercised by the Lessee, at noon, or any time previous thereto, upon demand for forfeiture, and it is mutually understood that all machinery and tools which may be placed upon said premises by the said Lessee may be removed therefrom within ten (10) days after the termination of this lease, provided, however, that no such tools or machinery shall be removed while the said Lessee may be in any manner indebted to the said Lessors under any obligation incurred under this lease.

-5-

(18) Said Lessee to furnish monthly statement of workings of aforesaid claims including complete financial statement of above and of any shipment from these properties. And in

case such report is not mad[illegible]within ninety (90) days of sign[illegible]g of said lease, this lease shall become null and void.

(19) Upon violation of any covenant or condition herein contained, this lease shall at the option of said Lessors expire, and terminate, and the said premises with the appurtenances and all buildings and other improvements shall become forfeited to the Lessors, and the said Lessors or their agent may thereupon, after demand in writing for possession, enter upon said premises and dispossess all persons occupying the same, with or without force and with or without process of law, or at the option of the Lessors the said Lessee and all persons found occupying said premises or any part thereof may be proceeded against as guilty of unlawful detainer.

Time is of the essence of this agreement, and each and every clause of this indenture and all the covenants and conditions contained therein expressed or implied shall extend to the successors, heirs, executors, administrators and lawful assigns of all the parties hereto.

IN WITNESS WHEREOF, the parties of the first part have hereunto subscribed their names and party of the second part has executed this instrument by its officers duly authorized thereunto the day and year first above written.

Foster Myers Seal

Jessie L. Myers Seal

Gertrude K. Baldwin Seal

Lawrence G. Johnston Seal

Filed for record the 10th day of January 1950 at 10:00 o'clock A. M.

..... Edith L. Jones......Recorder.

By....Merle Burnham.....Deputy.

" %"%

STATE OF COLORADO,)
(ss.
County of Saguache.)

I, Edith L. Jones, County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of BOND AND LEASE, Myers, et al, and Johnston, No. 133749, as it appears of record in my office in Book 224, at Page 150.

Witness my hand and official seal at Saguache, Colo., this 30th. day of June, A. D. 1951.

Issued to L. G. Johnston.

Edith L. Jones
County Clerk & Recorder,
Saguache County, Colo.

No. 133750 MINING LEASE

THIS AGREEMENT, made and entered into in duplicate this first day of January, A.D. 1950, by and between Gertrude Key Baldwin of 250 Loma Drive, Los Angeles, 26, Calif. party of the first part, and Lawrence G. Johnston, Bonanza, Colorado, party of the second part,

WITNESSETH:

That for and in consideration of the mutual covenents herein contained, the parties hereto have agreed as follows:

I

The party of the first part agrees to lease, let and demise, and hereby does lease, let and demise unto the party of the second part for a period of five years from the date hereof an undivided five eights interest in and to the following described lode mining claims, situate, lying and being in the Kerber Creek Mining District in the County of Saguache and State of Colorado, to wit: VALLEJO U. S. Survey No. 14110 and SOSTHENIS, U. S. Survey No. 2548.

II

The party of the first part agrees to place said party of the second part in full and peaceable possession of said property immediately upon the signing and delivery of this contract, and the party of the second part shall have the right hereinunder to mine and remove said claims any ore that may be found thereinafter provided.

III

The party of the second part agrees to enter upon said claims and work the same, taking out the greatest amount of ore possible, with due regard to the development and preservation of said claims as workable mines; to place the shafts and other workings in good condition, removing the old timbers wherever necessary and substituting therefor good sound timbers after the

(2)

manner of the best mining practices; to carefully explore, develop and work the lodes, leads and deposits found in said claims and to remove such ore and cause the same to be treated in the event ore in paying quantities shall be discovered, but it is expressly understood that of any ore shall be mined nearer tha main shaft than twenty five feet, all stopes contiguous to said shaft shall be properly timbered and filled around the shaft; to begin work immediately upon the execution of this lease, and to do and perform not fewer than twenty-five shifts of work per calendar month, and to do and perform all work after the manner of the best miners in the Kerber Creek Mining District, and to comply in all things with the laws of the State of Colorado which apply to such work, and further agrees that he will at the end of each calendar year submit to the County Assessor of Saguache County a statement of all ore shipped, if a sufficient quality is mined to legally require such a statement.

IV.

The Party of the second part further agrees that all ore removed from said claims shall be treated in the manner best suited to the nature of said ore, and to pay to the party of the first part a royalty of ten percent upon all ore shipped, said royalty to be computed upon the net smelter, mint or mill return after the payment of transportation and treatment charges.

The party of the second part further agrees to cause to be sent to the party of the first part, by the smelter, mint or mill to which ore is sent, duplicate copies of all smelter, mint or mill settlement sheets submitted by the smelter, mint or mill treating said ore, and that said smelter, mint or mill os to pay said royalty on each shipment direct to the party of the first part as soon as settlement is made for all ore so treated.

V

The party of the second part further agrees that all work upon said claims shall be done in such a manner as to protect

(3)

the shafts, drifts and other workings thereon, and that in removing ore therefrom the workings will be left in a safe condition and without unnecessary accumulation of muck; to make all shafts or tunnels on said properties not less than three and one half by six feet in the clear, and all drafts not less than six feet high by three and one half feet wide in the clear, and all winzes raises not less than six by three feet in the clear.

VI

The party of the first part, her agents and engineers shall have the right at all times to inspect the work done by the party of the second part upon said claims.

VII

The party of the second part further agrees that in the working of said properties, if four or more men are employed in such work, he will obtain from a reliable insurance company, or from the State Compensation Fund, an insurance policy to protect said workman against accidents, and that the party of the first part and the properties herein demised under no circumstances shall be liable for any compensation to injured workmen nor for any liens

for work performed and materials furnished; and the party of the second part further agrees to post said properties immediately upon the execution of this lease with sufficient notices in prominent places to the effect that neither the properties hereinndemised nor the party of the first part shall be liable for compensation to injured workmen, or for any labor performed or material furnished, and agrees that at all times he will keep said properties so posted.

VIII

It is further understood and agreed that in the event of inclement weather preventing the party of the second part from doing the required shifts in any calendar month that he may make them up within one year from the month in which said shifts were lost. If lease is forfeited, all track and pipe to be left in tunnell, and mine to be left in good workable condition.

(4)

All taxes assessed against said demised premises for ores mined and shipped under this lease shall be paid by the Lessee.

All bills and expenses incurred by the Lessee or those in privity with it shall be promptly paid by monthly by the Lessee, and by such prompt payment said Lessee shall prevent the filing of any and all leins of miners, mechanics or material men against said demised premises.

Said Lessee further covenents that no person not in privity with the parties hereto shall be allowed to hold possession of said premises or any part thereof under any pretext whatever. No sub-leasing is permitted without the consent of the Lessor.

IX

Upon violation of any covenant or condition herein contained this lease shall at the option of said Lessors expire, and terminate and the said premises with the appurtehances and all buildings and other improvements shall become forfeited to the Lessors, and the said Lessors or their agent may thereupon, after demand in writing for possession, enter upon said premises and dispossess all persons occupying the same, with or without force and with or without process of law, or at the option of the Lessors the said lessee and all persons found occupying said premises or any part thereof may be proceeded against as guilty of unlawful detainer.

Time is of the essence of this agreement, and each and every clause of this indenture and all the covenants and conditions contained therein expressed or implied shall extend to the successors, heirs, executors, administrators and lawful assigns of all the parties hereto.

IN WITNESS WHEREOF, the parties of the first part have hereuntohereunto subscribed their names and party of the second part has executed this instrument by its officers duly authorized thereunto the day and year first above written.

Gertrude K. Baldwin
Party of the first part

Lawrence G. Johnston
Party of the second part

Filed for record the 10th day of January 1950 at 10:00 A'clock A.M.

.....Edith L. Jones....Recorder

By.....Merle Burnham.....Deputy

****

STATE OF COLORADO,)
(ss.
County of Saguache.) I, Edith L. Jones, County Clerk and Recorder, in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of MINING LEASE, Baldwin to Johnston , No. 133750, as it appears of record in my office in Book 224, at Page 152.

Witness my hand and official seal at Saguache, Colo., this 30th. day of June, A. D. 1951.

Issued to L. G. Johnston.

Edith L. Jones
County Clerk and Recorder,
Saguache County, Colorado.

7-6-51

LAW OFFICES
MERLE M. MARSHALL
514 SAN JUAN AVENUE
ALAMOSA, COLORADO

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

June 29, 1951.

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

Dear Sir: Re: DMA-692

Mr L. G. Johnston of The Johnston Mining Company, Bonanza, Colorado, is mailing, or has mailed, from Bonanza additonal data on forms you forwarded in your letter of April 12, 1951. I am corresponding with the Lessors concerning Landlord's Subordination agreement.

Since we have three different owners at different addresses, will you kindly send me two additional blanks MF-202, since I only have one. Also I did not fill out for Mr Johnston Form MF-200 since I note it states the Subordination Agreement is attached, and I take it this is to be filled out when the matter is finally approved.

Thanking you I am,

Very truly yours,

Merle M. Marshall

Merle M. Marshall
Attorney for Johnston Mining Co.

MMM/s

DMA 692

JUL 6 1951

FILE COPY
SURNAME:

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

APR 12 1951

Mr. L. G. Johnston
Johnston Mining Company
Bonanza Route
Villa Grove, Colorado

In reply please
refer to DMA-692

Dear Mr. Johnston:

One of the purposes of the Defense Production Act of 1950 is the encouragement of exploration, development and mining of strategic minerals and metals. 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.

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. Funds advanced by the Government will be considered a loan, to be repaid if the exploration is profitable, but to be canceled if unsuccessful. The details of the plan, explaining the projects that will be eligible for assistance, the terms and schedules of financing, repayment, and other pertinent information, are enclosed.

A review of your application (DMA-692) for financial aid in exploring the Little Jennie and Brighton Veins of your Foster group in Saguache County, Colorado indicates that your proposal may be considered under this exploration program. Details concerning expenditures that will be considered chargeable to exploration aid will be subject to a final determination by negotiation, but as a preliminary appraisal, we believe that the program will apply to the estimated $75,000 which you propose to use in purchasing equipment and cross cutting to the Little Jennie and Brighton veins.

Before we can proceed further with consideration of your application, which may or may not require a field examination, please indicate your willingness 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, but you should be specific concerning the work you wish to undertake.

Very truly yours,

OTTO HERRES, Chief
Lead-Zinc Branch

ABGriggs:bsp
G 3/23/51
Copies to: Chief, Lead-Zinc Branch
USGS McKnight
2 copies to
J. H. East, Jr.
Exec. Officer, Region IV

Enclosures

L. B. Moon
R. H. Mote
C. O. Mittendorf
L. F. Strobel

Files

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

APR 12 1951

Mr. L. L. Johnston
Johnston Mining Company
Lawrence Route
Mills Drive, Colorado

Dear Mr. Johnston:

[illegible] the purpose of the defense materials act of [illegible] 50 is to encourage [illegible] of domestic [illegible] to supplement as proven reserves of strategic materials, Federal aid is being made available 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.

The program recently approved for encouragement of exploration of strategic materials only is for participation on the part of the government. For this, only and other expenditures will be encouraged by contract, government funds on an equal basis. Funds advanced by the Government will be considered a loan, to be repaid if the exploration results are profitable, but to be canceled if unsuccessful. The details of the plan, explaining the [illegible] that will be eligible for assistance, the terms and conditions of financing, repayment, and other pertinent [illegible], are enclosed.

A review of your application [illegible] for fluorspar [illegible] in connection with the little Jemez [illegible] of your Mining Company in Sandoval County, [illegible] indicates that your proposal may be considered under the exploration program. Details concerning expenditures that will be considered acceptable under the program will be subject to a final determination by the Bureau, but on a preliminary appraisal, we believe that the [illegible] will [illegible] the act. [illegible], [illegible] propose to use [illegible] equipment and cross cutting to the little Jemez and [illegible] veins.

Before we can proceed further with consideration of your application, which may or may not require a field examination, please indicate your willingness 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, but you should be specific concerning the work you wish to undertake.

Very truly yours,

Otto Herres

[illegible]
Chief, [illegible]

[illegible]
Chief
[illegible]

[illegible]
[illegible]
[illegible]

L. F. Strobel
C. O. Mittendorf
Files

Albuquerque
5/21/51
Copies to: Chief, Land- [illegible] Branch
USGS McKnight
2 copies to
J. H. East, Jr.
Exec. Officer, Region IV

LANDON F. STROBEL

INFORMATION FOR GOVERNMENT LOAN
FOSTER GROUP

NAME OF MINE:
Foster Group

PRESENT OPERATOR:
Johnston Mining Company
Bonanza Route
Villa Grove, Colorado

HERRES
2-26-51

dma
692

PREVIOUS OPERATORS:
Oro Grande Mining Company
Bonanza, Colorado

Tom Raymond
Bonanza Colorado

A.J. Hall
Aztec, New Mexico

copy
Schmidt
4/9

PAST PRODUCTION: (Estimated)

Little Jennie	$25,000
Sosthenes	45,000
Payson	30,000
Radcliffe	1,600
Vallejo	12,000

HISTORY:

The claims of the Foster Group were first developed during the boom days of Bonanza. They were worked intermittently from 1881 to 1890. After 1890 the Boom subsided, and none of the mines in the group were worked until 1942. In 1942 the Little Jennie was re-opened by the Oro Grande Mining Company under the supervision of the applicant, L.G. Johnston.

A shortage of funds halted operations almost before they were started. The company shipped only one carload of ore which, however, netted $500, plus the tonus, at the then relatively low price of metals.

The group was leased, after the failure of Oro Grande, to Tom Raymond, local miner. Working off and on, Raymond shipped approximately $15,000

of ore by gouging out what ore there was in sight and accessible.

Raymond's lease was forfeited in 1948, and the applicant was given a 5 year lease with an option to renew an additional 5 years in January 1950.

During the period from 1890 to the present time the other mines of the group were not worked, with the exception of the Brighton. In 1948 this mine was subleased by three men who, due to a lack of capital and equipment, failed to accomplish anything of importance.

PROPOSED WORK:

The plans of the Company at the present time involve only the Brighton and Little Jennie of group.

The Little Jennie and Vallejo drifts are on adjoining claims. These two drifts lie at elevations of 11,300 ft. and 11,180 ft., respectively. It is proposed to drive the Vallejo tunnel under the Jennie workings, a distance of 120 ft., thereby gaining 120 ft. of depth.

Ore exposed in the Little Jennie assures that the ore shoot is at least 300 ft. long as shown by the relatively small amount of development work done. That the ore goes down is pointed up by two existing winzes which have each been sunk to a depth of fifty feet. Attention is also called to a statement made by Burbank in his report:" Although the explored part of the Little Jennie vein is narrow and the development work done is small, the steepness of the fissures and the intense alteration of the adjacent rock give some promise of the vein holding its width and mineral content to greater depth, as is also indicated by the kinds and proportions of the vein minerals."[1]

The same plan is also contemplated for the Brighton. This project, however, is on a larger scale than the Little Jennie development. Here the depth gained would be in the approximate neighborhood of 260 ft. To be gained

[1] Burbank, W.S. U.S.G.S. Professional Paper 169.

through the Sosthenes Tunnel by driving the Brighton Crosscut in that adit an estimated 400 to 500 ft. No extensive work has been done on the Brighton, but a very good body of ore(running about 10% lead, 12% zinc, 2-4% copper, and 8 oz. silver per ton) is exposed in the drift and a 40 ft. winze. This ore streak holds pretty nearly an average of 4 ft. in width, and promises to get better in grade with depth.

These two projects will require an estimated expenditure of $75,000. Much of this amount, however, would be spent for new equipment and power. Electric power is a practical necessity in view of the work in mind. Electricity can be installed, however, for the nominal cost of $3,000(according to an estimate obtained in early 1950).

Further equipment required would include: a new 600 cu. ft. compressor, mucking machine, trammer, stopers, drifters, pipe, track, timber, supplies, etc.

The only equipment now available is a small leasing outfit.

LABOR:

At present there are four men working with operations confined to the Little Jenny.

Proposed work would call for about eight additional employees. These men are readily available in the immediate district.

TREATMENT OF ORE:

A large proportion of the ore mined would be milled(depending upon its zinc content). We have shipped some ore to the Resurrection mill at Leadville, Colorado----a distance of 112 miles. This is transported by truck directly from the mine. Some of the ore, though, will undoubtedly be shipped to the A.S.&R. smelter, also at Leadville, and also by truck.

PRODUCTION:

We would expect to produce about 200 tons per month when the proposed work is completed. This would probably take in the neighborhood of four months time. The expected production could be reached in six months.

ESTIMATED PRICE OF METALS REQUIRED TO OPERATE:
Profitable operation could be maintained if lead were only [illegible] and zinc [illegible] per pound.

ESTIMATE OF ORE ASSEMBLE:
We estimate all expected ore to be of the following average grade:
[illegible] in lead
[illegible] in zinc
[illegible] to [illegible] oz. in silver
[illegible] to [illegible] in copper
[illegible] to [illegible] oz. in gold

Measured ore----------[illegible]
Indicated ore----------[illegible]
Inferred ore----------[illegible]

ACCESSIBILITY OF MINE:
Easily accessible. [illegible] built and maintained [illegible] excellent condition. [illegible] sents no serious difficulty [illegible] bulldozer is readily available [illegible] when the need arises.

EXPERIENCE OF MANAGEMENT:
30 years experience of [illegible]
20 years has been in [illegible].

OTHER:
We have not been able to [illegible] this week from [illegible].

It is our understanding that a little Jennie was approved for a loan [illegible] the last war. A U.S. Bureau of Mines [illegible] by the name of Haycock, inspected the property.

We are enclosing a report on the Little Jennie taken from Burbank's Professional Paper 169. This is the only report available.

No maps are available at the present time.