UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

~~Terminated (or~~ cancelled) without certification. DMEA No. 1474

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit (Final).

Interim Audit(s).

Report of Review.

Termination Notice or Agreement.

Recision Notice.

Assignment of Contract.

Contract Amendments (latest on top).

Contract with all exhibits and annexes.

Owner's Consent to Lien.

Subordination Agreement.

Leases and assignments of leases.

Application and attachments.

Schedule of Collections.

Operator's monthly reports and all attachments (latest on top).

Right Side

Project summary.

Work completed analysis.

All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report. (Tab)

Operator's Final Report.

Interim Reports.

On-site Exam Report(s). (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number_____

Operator's Monthly Reports in folder number _____

Reviewer's Initials

7973

Government Copy
Lead-Zinc

RECISSION OF EXPLORATION PROJECT CONTRACT BY
AGREEMENT BEFORE WORK IS BEGUN

It is agreed this 25th day of August, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Frank Landauer, hereinafter called the "Operator," parties to that certain Exploration Project Contract I-DMA-E19, Docket No. DMA 1474, dated June 22, 1951, that said contract shall be and is hereby rescinded, revoked, and cancelled as of the date of the contract, before any actions have been taken or costs incurred thereunder, without any obligation whatever, one party to the other, the same as if said contract had never been entered into.

Witness the following signatures as of the day and year first above written.

UNITED STATES OF AMERICA

By W. H. King
Executive Officer
DMEA Field Team, Region IV

Frank Landauer
Frank Landauer

MF-200
(April 1951)

Index No. Card
Card Reviewed

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Docket No. DMA 1474
Commodity Lead-Zinc-Copper

~~I-DMA-E-19~~
I-DMA-E-19

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 22d day of June, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] Frank Landauer
9 W. 13th Avenue
Denver, Colorado

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Colorado, County of San Juan described as follows: [3] Four patented claims named Mineral Slope No. 1 - 2 - 3 - 4 U. S. Survey No. 19486. Located 7½ miles West of Silverton, Colorado

with respect to which the Operator represents and undertakes: [4]

(*a*) ~~That he is the owner in possession and entitled to possession, and that the property is subject only to the following claims, liens, encumbrances, as to each of which the subordination agreement of the holder is attached:~~

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within _____ days from the date of this contract shall commence work on a project of exploration for [5] Lead - Zinc - Copper; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] two years from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

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CONTRACT ST
G.A.O.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule of existing facilities, buildings, installations, and fixtures, with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate. See Appendix I

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator 50 percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $7,750.00, which is 50 percent of the agreed estimated total cost of this project, $15500.00.

12. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

16. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in triplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By [signature]

Administrator
Defense Minerals Administration

(Operator)

By [signature]

U. S. GOVERNMENT PRINTING OFFICE 16—64069

"EXHIBIT A"

It is proposed to drive a 5' x 7' tunnel 500 feet long in a Northeasterly direction from a point halfway between Tunnel No. 1 and Tunnel No. 2 at a point 150 feet from Tunnel No. 1 where there is room on the side hill for the necessary mine portal surface buildings.

This tunnel is shown on the accompanying map and can be located exactly on U. S. Mineral Survey No. 19496, claim named Mineral Slope #1.

The trail, adequate for exploration purposes, is available from the road to the portal of the tunnel. A house must be built at the portal to accomodate a repair shop.

The actual operation of driving the tunnel is roughly estimated to consume twenty-five weeks at the rate of 20 feet per week.

"EXHIBIT B"

Tunnel Portal Building	$2,500.00

"EXHIBIT C"

Hand tools	$ 325.00
Rent on	
Compressor	
Drills and hose	
Column-Arms	
Forge-bit grinder	$2500.00
Gas, oil, powder, fuse caps, wood working tools	$2675.00

It is understood that the Government cannot participate in the cost of any supplies such as air pipe, mine cars or mine track because terms of the lease preclude removal and salvage of these materials

"EXHIBIT D"

The total labor cost of this project is to be included in the contract for labor.

500 ft. @ $15.00	$7500.00

"EXHIBIT E"

Does not apply

Summary of Costs

Building at Tunnel Portal	$ 2500.00
500 ft. @ $15.00 for labor	7500.00
Rental for compressor, drills, hose column, arm, forge, bit grinder	2500.00
Supplies for machines and power	2675.00
Supplies hand tools (less than $50.00 each)	325.00
	$15500.00

APPENDIX I

In the absence of the detailed and explicit information contemplated by the references in the contract form to Exhibits "C" and "D", the charges for rental or rental value or purchase price of equipment and for proration of wages and salaries shall be subject to the arbitrary approval of the Government, and will not be allowed as a cost of the project if and to the extent disapproved by the Government.

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of San Juan, State of Colorado, described in a certain Exploration Project Contract dated June 22, 1951, between Frank Landauer, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated 2/1/49, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this 29th day of June, 1951

E L Hammer

Belle Goodwin

U. S. GOVERNMENT PRINTING OFFICE 940768

No. 369. CONTRACT OR AGREEMENT.—The Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1846 Stout St., Denver, Colo.

ARTICLES OF AGREEMENT, Made this 22nd day of May in the year of our Lord one thousand nine hundred and fifty one, between A. C. Hammer party of the first part, and Frank Landauer party of the second part,

WITNESSETH, That the said party of the first part hereby covenants and agrees, that if the party of the second part shall first make the payments and perform the covenants hereinafter mentioned on part to be made and performed the said party of the first part will agree to furnish labor for 500 ft. of tunnel, 5x7 in clear on Mineral Slope property west of Silverton, at rate of no less than 4 ft. per day. Equipment and supplies to be furnished by party of second part.

And the said party of the second part hereby covenants and agrees to pay to said party of the first part the sum of $15.00 per lineal foot DOLLARS, in the manner following payments to be made on each 25 ft. completed. Dollars cash in hand paid, the receipt whereof is hereby acknowledged, and the balance

with interest at the rate of per centum per annum, payable annually

And in case of the failure of the said party of the second part to make either of the payments or perform any of the covenants on part hereby made and entered into, this contract shall, at the option of the party of the first part, be forfeited and determined, and the party of the second part shall forfeit all payments made by on this contract and such payments shall be retained by the said party of the first part in full satisfaction and in liquidation of all damages by sustained, and shall have the right to

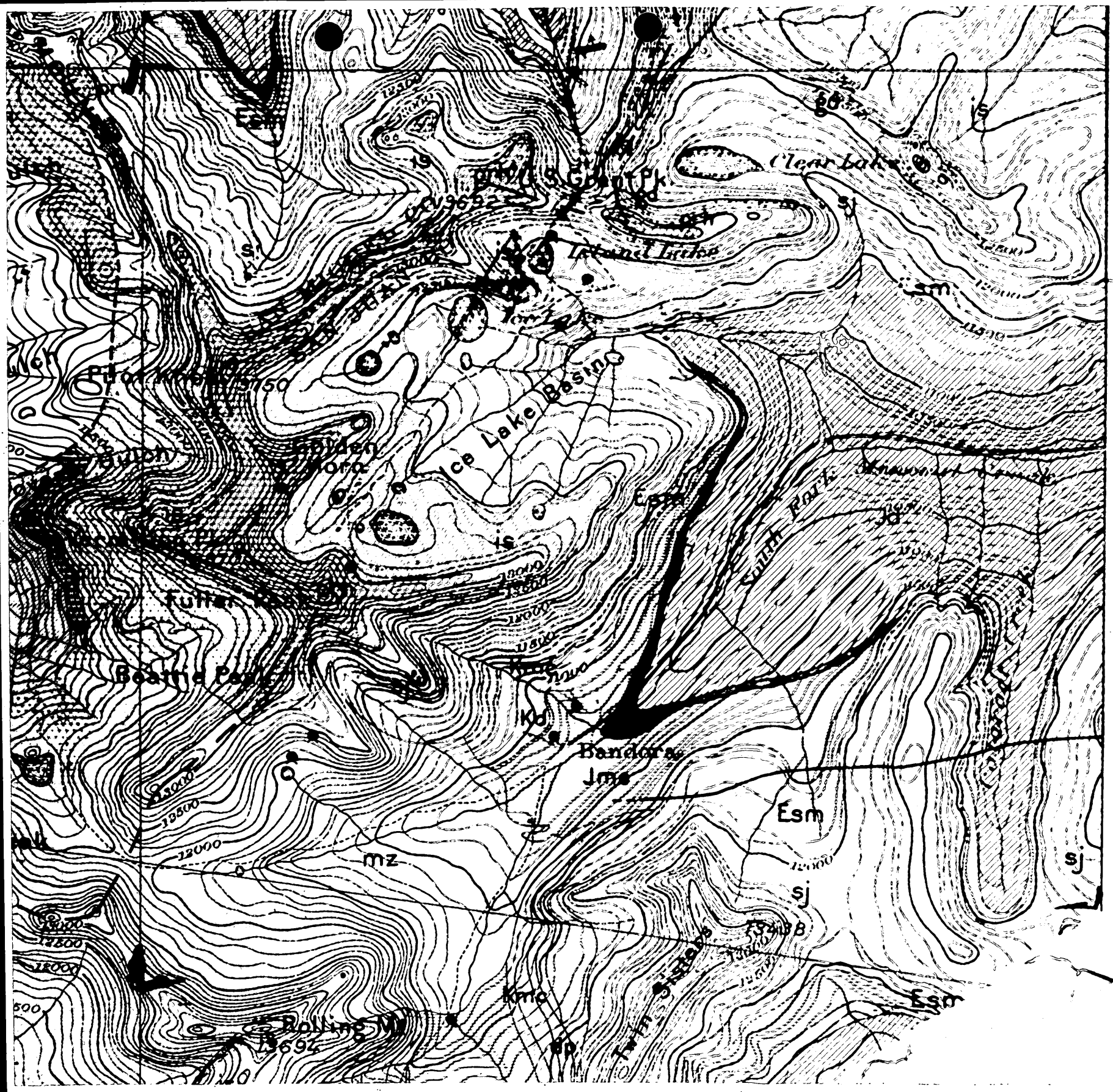
It is mutually agreed that all the covenants and agreements herein contained shall extend to and be obligatory upon the heirs, executors, administrators, and assigns of the respective parties.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands and seals, the day and year first above written.

Signed, Sealed, and subscribed in presence of

A C Hammer [SEAL]

Frank Landauer [SEAL]


Clear Lake
Ice Lake Basin
Golden Horn
Fuller Pass
Bonanza Pass
Bandora
Rolling Mt
13694
Twin Sisters
13488
Esm
sj
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Kd
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sp

LEASE AND OPTION

THIS lease and option made this first day of February, A. D. 1949, by and between E. L. HAMMER and BELLE A. GOODWIN, hereinafter called the Lessors, and FRANK LANDAUER, hereinafter called Lessee,

W I T N E S S E T H T H A T:

1. The said lessors for and in consideration of the rents, covenants, and agreements hereinafter expressed to be paid, kept and performed by the said lessee, have leased, let and demised and by these presents do lease, let and demise unto the said lessee the following described premises, situate, lying and being in Ice Lake Mining District, in the County of San Juan, State of Colorado, to-wit:

Mineral Slope No. 1, U. S. Survey No. 19486
Mineral Slope No. 2, U. S. Survey No. 19486
Mineral Slope No. 3, U. S. Survey No. 19486
Mineral Slope No. 4, U. S. Survey No. 19486

together with all the rights, privileges and easements thereto incident, appendant and appurtenant, and together with all improvements thereon and workings therein.

2. TO HAVE AND TO HOLD the same for the purpose of mining for a term commencing on the date hereof and expiring on February 1, 1959, unless sooner forfeited or terminated under any of the provisions herein contained.

3. The said lessee for and in consideration of the leasing of said premises covenants and agrees that he shall enter upon the said premises as soon as reasonably possible after the date of the execution of this agreement, and in any event not later than June 1, 1949, and shall then commence work on said premises and thereafter work the same continuously in a thorough and workmanlike manner and shall do and perform at least fifty shifts of work in the development and operation of said property during each calendar month thereafter, during the months of June to November, inclusive in each year, and he will keep tunnel and portals timbered. The term "shift" is taken and accepted to mean thelabor of one man for one day of at least eight hours. Provided, however, that

should severe storms or unusual mining casualty prevent the performance of such work in any month in which is required by the terms hereof, such failure shall work no forfeiture hereof provided such work shall be resumed within ten (10) days after the cessation of such preventing cause. Any and all other work than is above required shall be at the election of the lessee.

4. The lessee shall pay to the lessors, upon all ore or other mineral substances taken from the mine, whether or not the same be processed to render the same marketable, ten per cent (10%) of the net returns therefrom. By the term "net returns" as above used, is meant returns from ore after deducting the cost of railroad or truck transportation of crude ore, as the case may be, treatment or smelter charges, and charges by custom plants for concentrating ores to render the same marketable. Said payment shall be mailed directly to the lessors at 1351 Grant Street, Apartment 13, Denver, Colorado, or such person, corporation or bank as the lessors, the owners of saidproperty, shall direct. The remainder of the purchase price of such ore shall be mailed directly to the lessee or his nominee.

5. The lessors and the owners of said property shall have the right at all reasonable times, in person, or by their authorized agent, to enter upon and into all parts of said mining property for the purpose of inspecting and ascertaining the condition of the same, and taking samples therefrom, and to that end the lessee shall furnish and render all reasonable assistance.

6. The lessee agrees to protect and save harmless the said lessors and the said property from any and all debts, claims, liens and demands of every kind and nature whatsoever arising, or which might arise, by reason of lessee's operations hereunder. It is understood that lessee is to construct a road, suitable for transportation of ore, from the county road up to the point past the tunnels for a turn-around. It is further agreed that for the better protection of the lessors, the said property and the owners thereof, the lessee shall at any place where work is being performed hereunder, post and keep posted, in conspicuous place or places, notices informing all persons concerned that such property is being worked and operated under lease only, and that neither such

property nor the owner thereof is liable for any work performed thereon or any materials or supplies furnished for the operation thereof, so as to protect said property from liens under the terms and provisions of the Colorado statutes relating to mechanic's liens.

7. The lessee agrees that when said property is being operated hereunder, he will take out and carry Workmen's Compensation Insurance under the terms and conditions of the Colorado Workmen's Compensation Act for the protection of all employees or co-lessees working on said property, so that said property and the owners thereof may sustain no loss or damage through the injury of any lessee or any workman employed upon said property hereunder.

8. It is understood and agreed that during the life of this lease and on or before August 1, of each year during the term of said lease the lessee shall pay or cause to be paid all taxes then due and owing on said property.

9. It is agreed and understood that any air pipe, mine cars or mine track placed upon said property and used hereunder shall be and remain a part of said property, and upon the termination hereof shall remain a part of the property hereby demised. Any tools or machinery taken to said property by the party of the second part, or his assigns, for use in the operation thereof, may be by him, or his assigns, reoved at the termination of this lease. Such removal shall be made within sixty (60) days after such termination, unless such agreement shall be terminated during the winter months when trails are closed, in which event the second party shall have sixty (60) days after the trails are open the following spring within which to make removal of said tools and equipment. After the expiration of said sixty day (60) period, after termination or opening of the trails as herein provided, such tools and equipment then remaining on said property shall become the property of the owner of such mining claims.

10. The lessee shall have the right to surrender and terminate this lease and be relieved from further obligations hereunder by giving the lessors herein thirty (30) days' notice in writing of his intention

so tu surrender and terminate the same and paying to said lessors all sums, including taxes, due from said lessee pursuant to the terms of this agreement, and the furnishing to said lessors satisfactory evidence that all debts, claims and other obligations theretofore incurred by said lessee in the operation, working and development of said demised premises, or in placing air pipe, mine cars or mine track thereon, have been fully paid, and thereupon at the expiration of said thirty (30) days, in consideration of the expenditures theretofore made by the said lessee under this lease, said lessors shall and do hereby release the said lessee from any further demand or claim of any nature or kind whatsoever.

11. Upon the violation of any of the terms or covenants hereinabove reserved and upon the part of the said lessee to be kept, done, and performed, said lessors may at their option and upon written notice to the said lessee specifying the specific violation or violations complained of, and giving notice of their intention so to do, cancel and annul this lease and option to purchase, unless said lessee shall, within ten (10) days after receiving such written notice, cease such violation or violations and pay to the said lessors all minies then due under this lease and otherwise remedy the matter or matters concerning which he is in default, provided, however, that so long as Mr. A. C. Hammer is retained by said lessee as the superintendent of said mine, lessors shall not have the right to terminate this lease upon any term or condition thereof which has to do with the manner or method in which the mine is operated and all work done under this lease performed. If this lease be cancelled for any cause whatever, then said demised premises shall be and become forfeited to the said lessors and said lessors may thereupon 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 said lessee and all persons found in occupation may be proceeded against as guilty of unlawful detainer.

12. In consideration of the acceptance of the foregoing lease, the expenditures to be made thereunder, and the well and faithful

Keeping of the covenants thereof, the lessors grant to the lessee an option to purchase the demised premises at the price of Seventy Five Thousant Dollars, ($75,000.00). Upon election by the lessee to purchase said property, all royalty payments paid under the lease hereinbefore granted, shall be applied on the purchase price and upon payment in full the lessors will make, execute, acknowledge and deliver a good and sufficient mining deed conveying said property to the lessee free and clear of all encumbrances as shown by abstracts of title therefor to be furnished by the lessors. In the event that this lease be forfeited, surrendered or terminated for any cause, the right to purchase shall thereafter cease.

13. This lease and option shall be binding upon and enforceable by the respective successors, heirs, executors, administrators and assigns of the parties hereto.

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

/s/ A. C. Hammer

/s/ E. L. Hammer

/s/ Belle A. Goodwin
Lessors

Witnesses:

/s/ Lyda Tinnell
/s/ Cora M. Chidester
/s/ H. E. Harrell

/s/ Frank Landauer
Lessee

LEASE AND OPTION

THIS lease and option made this first day of February, A. D. 1949, by and between E. L. HAMMER and BELLE A. GOODWIN, hereinafter called the Lessors, and FRANK LANDAUER, hereinafter called Lessee,

W I T N E S S E T H T H A T:

1. The said lessors for and in consideration of the rents, covenants, and agreements hereinafter expressed to be paid, kept and performed by the said lessee, have leased, let and demised and by these presents do lease, let and demise unto the said lessee the following described premises, situate, lying and being in Ice Lake Mining District, in the County of San Juan, State of Colorado, to-wit:

Mineral Slope No. 1, U. S. Survey No. 19486
Mineral Slope No. 2, U. S. Survey No. 19486
Mineral Slope No. 3, U. S. Survey No. 19486
Mineral Slope No. 4, U. S. Survey No. 19486

together with all the rights, privileges and easements thereto incident, appendant and appurtenant, and together with all improvements thereon and workings therein.

2. TO HAVE AND TO HOLD the same for the purpose of mining for a term commencing on the date hereof and expiring on February 1, 1959, unless sooner forfeited or terminated under any of the provisions herein contained.

3. The said lessee for and in consideration of the leasing of said premises covenants and agrees that he shall enter upon the said premises as soon as reasonably possible after the date of the execution of this agreement, and in any event not later than June 1, 1949, and shall then commence work on said premises and thereafter work the same continuously in a thorough and workmanlike manner and shall do and perform at least fifty shifts of work in the development and operation of said property during each calendar month thereafter, during the months of June to November, inclusive in each year, and he will keep tunnel and portals timbered. The term "shift" is taken and accepted to mean the labor of one man for one day of at least eight hours. Provided, however, that

should severe storms or unusual mining casualty prevent the performance of such work in any month in which is required by the terms hereof, such failure shall work no forfeiture hereof provided such work shall be resumed within ten (10) days after the cessation of such preventing cause. Any and all other work than is above required shall be at the election of the lessee.

4. The lessee shall pay to the lessors, upon all ore or other mineral substances taken from the mine, whether or not the same be processed to render the same marketable, ten per cent (10%) of the net returns therefrom. By the term "net returns" as above used, is meant returns from ore after deducting the cost of railroad or truck transportation of crude ore, as the case may be, treatment or smelter charges, and charges by custom plants for concentrating ores to render the same marketable. Said payment shall be mailed directly to the lessors at 1351 Grant Street, Apartment 13, Denver, Colorado, or such person, corporation or bank as the lessors, the owners of said property, shall direct. The remainder of the purchase price of such ore shall be mailed directly to the lessee or his nominee.

5. The lessors and the owners of said property shall have the right at all reasonable times, in person, or by their authorized agent, to enter upon and into all parts of said mining property for the purpose of inspecting and ascertaining the condition of the same, and taking samples therefrom, and to that end the lessee shall furnish and render all reasonable assistance.

6. The lessee agrees to protect and save harmless the said lessors and the said property from any and all debts, claims, liens and demands of every kind and nature whatsoever arising, or which might arise, by reason of lessee's operations hereunder. It is understood that lessee is to construct a road, suitable for transportation of ore, from the county road up to the point past the tunnels for a turn-around. It is further agreed that for the better protection of the lessors, the said property and the owners thereof, the lessee shall at any place where work is being performed hereunder, post and keep posted, in conspicuous place or places, notices informing all persons concerned that such property is being worked and operated under lease only, and that neither such

property nor the owner thereof is liable for any work performed thereon or any materials or supplies furnished for the operation thereof, so as to protect said property from liens under the terms and provisions of the Colorado statutes relating to mechanic's liens.

7. The lessee agrees that when said property is being operated hereunder, he will take out and carry Workmen's Compensation Insurance under the terms and conditions of the Colorado Workmen's Compensation Act for the protection of all employees or co-lessees working on said property, so that said property and the owners thereof may sustain no loss or damage through the injury of any lessee or any workman employed upon said property hereunder.

8. It is understood and agreed that during the life of t is lease and on or before August 1, of each year during the term of said lease the lessee shall pay or cause to be paid all taxes then due and owing on said property.

9. It is agreed and understood that any air pipe, mine cars or mine track placed upon said property and used hereunder shall be and remain a part of said propert , and upon the termination hereof shall remain a art of the property hereby demised. Any tools or machinery taken to said property by the party of the second part, or his assigns, for use in the operation thereof, may be by him, or his assigns, removed at the termination of this lease. Such removal shall be made within sixty (60) days after such termination, unless such agreement shall be terminated during the winter months when trails are closed, in which event the second party shall have sixty (60) days after the trails are open the following spring within which to make removal of said tools and equipment. After the expiration of said sixty day (60) period, after termination or opening of the trails as herein provided, such tools and equipment then remaining on said property shall become the property of the owner of such mining claims.

10. The lessee shall have the right to surrender and terminate this lease and be relieved from further obligations hereunder by giving XXXX XXXX XX the lessors herein thirty (30 days' notice in writing of his intention

so to surrender and terminate the same and paying to said lessors all sums, including taxes, due from said lessee pursuant to the terms of this agreement, and the furnishing to said lessors satisfactory evidence that all debts, claims and other obligations theretofore incurred by said lessee in the operation, working and development of said demised premises, or in placing air pipe, mine cars or mine track thereon, have been fully paid, and thereupon at the expiration of said thirty (30) days, in consideration of the expenditures theretofore made by the said lessee under this lease, said lessors shall and do hereby release the said lessee from any further demand or claim of any nature or kind whatsoever.

11. Upon the violation of any of the terms or covenants hereinabove reserved and upon the part of the said lessee to be kept, done, and performed, said lessors may at their option and upon written notice to the said lessee specifying the specific violation or violations complained of, and giving notice of their intention so to do, cancel and annul this lease and option to purchase, unless said lessee shall, within ten (10) days after receiving such written notice, cease such violation or violations and pay to the said lessors all monies then due under this lease and otherwise remedy the matter or matters concerning which he is in default, provided, however, that so long as Mr. [illegible] C. Hammer is retained by said lessee as the superintendent of said mine, lessors shall not have the right to terminate this lease upon any term or condition thereof which has to do with the manner or method in which the mine is operated and all work done under this lease performed. If this lease be cancelled for any cause whatever, then said demised premises shall be and become forfeited to the said lessors and said lessors may thereupon 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 said lessee and all persons found in occupation may be proceeded against as guilty of unlawful detainer.

12. In consideration of the acceptance of the foregoing lease, the expenditures to be made thereunder, and the well and faithful

keeping of the covenants thereof, the lessors grant to the lessee an option to purchase the demised premises at the price of Seventy Five Thousand Dollars, ($75,000.00). Upon election by the lessee to purchase said property, all royalty payments paid under the lease hereinbefore granted, shall be applied on the purchase price and upon payment in full the lessors will make, execute, acknowledge and deliver a good and sufficient mining deed conveying said property to the lessee free and clear of all encumbrances as shown by abstracts of title therefor to be furnished by the lessors. In he event that this lease be forfeited, surrendered or terminated for any cause, the right to purchase shall thereafter cease.

13. This lease and option shall be binding upon and enforceable by the respective successors, heirs, executors, administrators and assigns of the parties hereto.

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

/s/ A. C. Hammer

/s/ A. L. Hammer

/s/ Belle A. Goodwin
Lessors

Witnesses:

/s/ Lyda Tinnell
/s/ Cora M. Chidester
/s/ H. E. Harrell

/s/ Frank Landauer
Lessee

No. 369. CONTRACT OR AGREEMENT.—The Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1846 Stout St., Denver, Colo.

ARTICLES OF AGREEMENT, Made this 22nd day of May in the year of our Lord one thousand nine hundred and 1951, between A. C. Hammer party of the first part, and Frank Landauer party of the second part,

WITNESSETH, That the said party of the first part hereby covenants and agrees, that if the party of the second part shall first make the payments and perform the covenants hereinafter mentioned on part to be made and performed the said party of the first part will agree to furnish labor for 500 ft. of tunnell, 5x7 in clear on Mineral Slope property West of Silverton, at rate of no less than 4 ft. per day. Equipment and supplies to be furnished by party of second part.

And the said party of the second part hereby covenants and agrees to pay to said party of the first part the sum of $15.00 per lineal foot DOLLARS, in the manner following: Payments to be made on each 25 ft. completed.

Dollars cash in hand paid, the receipt whereof is hereby acknowledged, and the balance

with interest at the rate of per centum per annum, payable annually

And in case of the failure of the said party of the second part to make either of the payments or perform any of the covenants on part hereby made and entered into, this contract shall, at the option of the party of the first part, be forfeited and determined, and the party of the second part shall forfeit all payments made by on this contract and such payments shall be retained by the said party of the first part in full satisfaction and in liquidation of all damages by sustained, and shall have the right to

It is mutually agreed that all the covenants and agreements herein contained shall extend to and be obligatory upon the heirs, executors, administrators, and assigns of the respective parties.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands and seals, the day and year first above written.

Signed, Sealed, and subscribed in presence of

Carolyn M. Jimenez

A C Hammer [SEAL]

Frank Landauer [SEAL]

Form MF-103
(April 1951)

U. 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 - 1474 X

Date received 6/4/51

Participation

Frank Landauer
9 W 13th Ave.
Denver, Colorado

Name and address of applicant

Date May 25,1951

FILL IN THIS BLOCK

Date of application

Estimated cost $15,500.

Mineral or metal Lead, zinc, copper.

Percentage of Government participation 50%

Location of mine South Mineral Creek, Silverton
San Juan Co. Colorado

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

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

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
*17. Production:
    (*a*) If mine is in production, furnish the following information:

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

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?
21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.
22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.
24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

~~(Name of company)~~	By X Frank Sandauer (Signature of authorized official)
X May 28-1951 (Date)	Lessee (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

MF-103 Application of Frank Landauer.

1. Applicant is an individual.
2. Answered MF-100
4. Answered in MF-100
5. " " " "
6. Owner, being the Contractor for the labor herein states that there are no liens or encumberances against the property

A C Hammond Owner.

7. Copy of Lease is attached hereto.
8. No financial statement applying to this lease is available. The Lessee has spent in road building and prospecting work upon the property about $8,000.
9. The Applicant is prepared to invest $7750. in this proposed project, which is sufficient to pay his part of the cost of the project, detailed in question No. 23.
10. a. The real property involved in this exploration project, included all the lode mining claims named in the Lease, copy of which is submitted herewith, namely;- Mineral Slope lode mining claims Nos. 1, 2, 3 and 4, U.S.Mineral Survey No. 19496.

    b. The exact location of the exploration site is on the Mineral Slope No. 1 lode claim, U.S.Mineral Survey No. 19496, 150 ft. southwesterly along the trail, from the portal of Tunnel No. 1.
11. The present name of the property is the Mineral Slope.
12. The property is located in the valley of South Mineral Creek, 7½ miles westerly from Silverton, Colorado, the terminus of the Denver and Rio Grande Western R.R.. From Silverton State Highway No. 550 is followed to the Forks of South Mineral Creek 4½ miles, from whence a County road extends up South Mineral Creek on water level of the Creek, three miles to the property. An access road connects from this latter point around the sandstone bedded mountain to the Cut and Tunnel or Adit on Mineral Slope No. 2 lode claim. All roads above are usable for hauling equipment, supplies and men to the Development Project site and for hauling ore to Custom Mill or smelter if found in sufficient quantity.

13 Stated elsewhere.

14 Stated in MF-100

15. Ore resulting from this exploration , if of the same character as already exposed on the property, could be shipped to custom mills of mechanical-flotation type, such as The American Zinc Lead smelting Co. at Ouray and the Shenendoah Dived Mill at Silverton, Colorado.
16. Stated in MF-100
17. " " " "
18. " " " "
19. It is assumed from geological conditions prevailing on this property that vein filled fissures, running northerly and southerly through the mountain between South Mineral Creek and Ice Lake Creek may have provided the channels through which this particular bed of porous sandstone at the base of the McElmo formation, may have been mineralized. Similar ore has been encountered in four prospect cuts and tunnels covering a lineal distance of 900 ft. on this bed. This project is designed to drive a tunnel into the mineralized bed at a

point economically favorable, between two of the mineralized exposures and where loading facilities can be constructed.

20. The exploration will be conducted for the development of lead, zinc, copper ores, such as have already been exposed on this property.

21. It is proposed to drive a drift beginning 50 ft. northeasterly from Cut and tunnel No. 2 (see accompanying print) along the mineralized bed, in a northwesterly direction for 500 feet. This drift is to be 5 x 8 ft. in the clear, driven on water grade, timbered where necessary. It will be driven under contract at a proposed rate of 4 ft. per day or 20 ft. per week. Exclusive of unforseen conditions, without the control of the contractor and which might interfere with the proposed progress, it is estimated that 25 weeks time will be necessary to complete the drift, or as soon therafter as possible.

22. This exploration is to be carried on in the sandstone or quartzite, located at the top of the La Plata and the base of the McElmo formations of bedded deposits. A photostat of a part of the topographical and geological map of the Telluride quadrangle of the U.S.Geological Survey is presented herewith, covering the site of the proposed exploration project. The ore is composed of sulphides of lead, zinc and copper in a gangue matter of compact quartz crystals, underlain by talcose detritus. It is assumed from all indications that the ore will be similar to that shipped from the Bandora Mine, the nearest to the south. There is an apparent relationship or analogy between this ore occurence to the ore deposits described in Vol. 12, No. 6, of the Colorado Scientific Society Publication, in conjunction with the U.S. Geological Survey; which describes the porous nature of the formation and indicates that the mineralizing solutions(P 226) may traverse it for great distances from the sources. At the Cut No. 1 of this property there is in close proximity the projected vein filled fissure, plainly exposed in the Telluride conglomerate and Andesite cliffs, above.

23. Labor required will consist of a crew, composed of a machine man and miner, mucker, timberman tracklayer, the latter two acting as hammer until the tramming requires full time. The wages will average $12 per day per man. The work will be done under sub-contract by two of the crew.

b. Supervision as to the fulfillment of the contract will be by the owner and contractor, A.C.Hammer.

c. none.

d. Cost of tunnel portal building. $2500.

e. Hand tools, bits 325.

f. Rental of compressor, drills, hose steel. column and arm, forge and bit grinder. 2500.

g. none.

h. Gas and Oil, powder, fuse, caps, rail cars, wood working tools-- 2675.

i. Included in compressor rental, gasoline power.

j. Contract 500 ft. at $15 per ft. labor 7500.

Total $15500.

24. The project will take 25 weeks to complete, the drift being driven at the rate of 20 ft. per week, net. The money will be spent at the rate of $620 per week.

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-1474X

Date received 6/4/51

Frank Landauer
9 W 13th Ave.
Denver Colorado

Name and address of applicant

Date May 25, 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		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	Total		x x x x x			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	$	$	$		
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.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

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.

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.

Date May 25,1951

Form MF-100
Application of Frank Landauer

1. Materials Produced.
   a. Lead, Zinc and Copper.
   b. Silica, others unknown.
2. Mineral Slope Mine prospect, Adit type.
   a. none.
   b Lineal feet drifts crosscuts 70.
   c. Lineal feet of tunnels or adits 40 ft.
   No pumping problem, adits are not flooded.
3. a. Seven and one half miles westerly from Silverton,Colorado , the terminus of the Denver and Rio Grande Western R.R.
   b. Ice Lake Mining District.
   c. The Public Survey has been suspended in this area/ Secs. 30 and 31, Suspended Twn. 41 N, R 8 W of the New Mexican Prin. Mer.
   d. San Juan County, Colorado.
4. a. Property is under development by Frank Landauer, Lessee.
   b. Lessee , with Owner A.C.Hammer, as Contractor.
5. Has not yet reached the productive stage. Depending on the results of the future development, production could begin in six months.
6. A.C.Hammer, Contractor and the one who will have charge of the mining work on this property, has had fifteen years experience in hard rock mining, prospecting, driving crosscuts, drifts and raises. The Lessee, Frank Landauer has had ten years experience operating a Brake and Accessory Supply business.
7. a. Some small development work was done on the property many years ago, but the presence of zinc rendered the ore unworkable at that time. Therefore work was abandoned.
   b. The Bandora Mine, one mile south of this property, is developed in quartzite on the north border of a stock of Monzonite Porphyry. It consists of four known veins developed by tunnels and raises, in the same formation in which the applicant property has been found. The ores produced from the Bandora are similar in character to those of the Applicant property and the production from the Bandora property is reported to be in excess of 100,000 dollars. The ores were reported to have carried about 18% lead, the zinc having been sorted out and discarded.
   The Emma Mine is one and one half miles northwest of the Applicant property. It is a fissure vein, developed in the Intermediate series of andesites and rhyolites. It was productive in the period 1915 to 1920 and is said to have produced over 200 tons of lead ore of grade over 50% lead.
   c. A report by Warren C. Prosser, Mining Engineer and U.S. Mineral Surveyor is furnished herewith.
10. Production. There has been no production from the limited workings of this property.
12. Mineral Reserves. Opened in shallow workings in the prospect stage, no mineral reserves have yet been determined, excepti ng for possibly 100 tons of ore on the dumps and exposed in the workings.

13. An access road, built by the Lessee, connecting the site of the proposed Adit and Drift with the South Mineral Creek County Road, has its take off point on the latter, two and one half miles westerly from the Silverton Ouray State Highway No. 550.
14. There is ample water in South Mineral Creek for mining and domestic purposes.
15. Gasoline Engine power will be used in this project.
16. There is ample labor for the work contemplated in driving the proposed development drift under this Application.
17. There is no equipment on the Applicant property which can be used in this development, excepting a miner's cabin, built upon a mill site close to South Mineral Creek, belonging to the owner of the lode claims herein, which will be used as living quarters by the contracting crew.
18. None that are not described herein or in the report of Warren C. Prosser.

(*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.

(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)					
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.

14. Water Supply:

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

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

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

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.

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~~ his own 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~~ his knowledge and belief.

~~(Name of company)~~

By Frank Sandoval
(Signature of authorized official)

May 28-1957
(Date)

Jessee
(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

Preliminary Examination.
MINERAL SLOPE GROUP OF LODE MINING CLAIMS, SAN JUAN CO. COLORADO.

This property consists of four lode mining claims, Mineral Slope Nos. 1,2,3 and 4, embraced in U.S.Mineral Survey No. 19486, comprising a total of 32.5 acres. U.S.Patent was issued on this group in 1914, being Mineral Entry No. 430991.

These lode mining claims are located on the east face of a steep ridge, which borders South Mineral Creek and extends from its tributary, Ice Lake Creek, to the proximity of the Bandora mine. In elev tion this ridge rises from the height of South Mineral Creek, 10,200 ft. above sea level, at the claim Cabin and Mill Site, to an elevation of 13,000 ft. just east of Fuller Peak. The northeast nose of this ridge between South Mineral and Ice Lake Creeks is at 12,500 ft. elevation.

The location is 7.5 miles westerly from Silverton, Colorado, a terminal station of the Denver and Rio Grande Western R.R. It is three miles from a well graded, graveled highway No. 550 between Silverton amd Ouray Colorado.

In Company with Frank Landauer and A.C.Hammer, the trip from Silverton to the mill site was made in a few minutes by Auto. The current spring in south Mineral Creek basin was later than usual this particular year and remnants of snow drifts on the road leading to the Bandora Mine, were encountered above the Silverton picnic grounds. The Mineral Slope ridge however, was bare, except for snow remaining in the gulches, of the ridge. The average slope of the ridge is 45°.

Geological.

The base of the ridge consists of Triassic red sandstone, 1000 ft thick, having a general low dip to the southwest. This sandstone series constitutes the cliffs of the ridge. Above this and lying conformably upon it is the La Plata series of sandstones and limestones, having a thickness of about 110 ft. The limestone member, about 12 ft. thick, lies between the lower La Plata sandstone 65 ft. thick and the upper sandstone, 20 to 25 ft. thick. This La Plata sandstone is white, lies directly upon the red sandstone and can be easily traced.

Resting upon the La Plata series is the McElmo shale formation, the basal member of which is usually highly silicified.

The McElmo shale is capped by a thick bed of San Miguel or Telluride conglomerates, lying uncomformably upon it and dipping toward the northeast. This in turn is capped by the San Juan andesite, a volcanic flow which extends to the top of Mineral Slope Ridge.

Development.

In the lower bed of the McElmo Shales, the principal development work of the group has been done. Cut No. 4 is made in a tan and light brown sandstone bed of silicified sandstone, which is highly altered and shows iron pyrite. The cut is 15 ft. wide, with an 8 ft. face, running N 60° W, 28 ft. to the face. This cut was caved, but the owners report a 6 ft. tunnel driven from the face. Another tunnel is driven from this face, West, 7 ft. to the breast. The above workings are on Mineral Slope No. 4 lode claim.

Cut No. 3 is 6 ft. wide, running N 13° W, 15 ft. to the breast. Cut. No. 2 is 17 ft. wide, running N 13° W 18 ft. to the breast, where a 5 x 6 ft. tunnel runs N 15° W, 30 ft. to the breast.

Cut No. 2 is 6 ft. wide, running N44° W, 15 ft. to an 8 ft. face. From this face a tunnel 5 x 6.5 ft. extends N 15° W, 40 ft. to the breast. At the breast a crosscut 5 x 5 ft. extends N 75° E 6 ft. to the breast. This cut and tunnels are situated on Mineral Slope No. 2 lode claim.

Cut No. 5 is 6 ft. wide, extends N 13° W, 20 ft. to a 15 ft. face. From this face a tunnel 4 x 6 ft. runs N 42° W 3 ft. to a 10 ft. shaft, and 57 ft. to the breast. This cut and tunnel is located on Mineral Slope No. 1 lode claim.

Cute No. 4, 3 and 2 are caved but the dumps show the same character of oxidized sandstone and the same character of sulphide mineral. Cut No. 4 and the tunnel from its face, develops a flat ore bearing bed, 18 ins. to 2 ft. in width, dipping 8° to the southwest. From the entrance o of this cut the Forks of South Mineral Creek bears N 72° E., The flat vein developed in this tunnel is well mineralized with solution quartz and contains scattered sulphides of copper, lead and zinc. Some parts of the bed show heavy mineralization, in lenses. The dump shows the same character of sulphide ore. Cut No. 1 is the main working tunnel of the group. The bed which it develops is mineralized with quartz and sulphides, similar to the exposure in Cut. No. 4. Under the mineralized quartz bed are solution cavities, which contain occasional heavy masses of sulphides, resting upon talc and other detritus, constituting the floor of the tunnel and appearing to be several feet deep.

It was observed that a large fault break and gorge, in the andesite cliffs at the top of the ridge above Cut. No. 5, might be the seat of a prominent vein and possibly the source or one of the sources of the mineralization of the bed under development.

The ore bed above described is similar to other beds of ore situated in the same formation, at other locations in the San Juan area. They have been commonly referred to as the "Miners Quartzite". Usually the ores contained are of moderately good value and constitute pay dirt.

In origin thay have been known to be associated with and derived from vertical veins, or with porphyry sheets that invade the beds horizontally, in either event, providing the mineralizing solutions that permeated the porous beds of sandstone, filling it with ore and changing it to quartzite.

In the mineral Slope beds there is no direct evidence with connections to the vertical veins, altho in my opinion such veins will be found to provide the logical explanation for their existence. I did find float of a coarse grained quartz porphyry, at the south end of the Mineral Slope Ridge, but it was not observed in place during our brief examination.

If it develops that vertical veins are responsible for the bedded ore, then it can be assumed that in flat lying beds of shale and particularly where they encounter the lime member of the La Plats series, so called rolls of high grade silver copper ore, may be encountered. The vertical veins are also known to contain better ore than the beds in the McElmo formation.

Extent of ore.

Report of Warren C. Prosser 3.

From appearances and geological character, I believe all cuts and tunnels above described are in the same continuous formation, that being the basal member of the McElmo shale series. The size of bed and the amount of ore appear to improve northwesterly. If by speculation, the bed proves to be continuous between Cuts Nos. 2 and 1, it might have an average thickness of 3 ft. and make possible the existence of 8,000 tons of ore of the same character exposed, for every 100 ft. depth of the bed. This would depend upon whether the vertical vein, found to be responsible for the flow of solutions, replacing the bed with ore, extends into the ridge. From all appearances the one vein observed does. It is known that similar conditions elsewhere, as at Ouray, result in ore bodies ranging in width from 20 to 300 ft. wide and as long as 1200 feet.

Ore Values.

Three samples were taken as indicators of the metallic content of the ores developed.

No. 1, 3 ft. wide taken vertically across the ore bed in the No. 1 tunnel.

No. 2, sorted ore from the dump of No. 1 tunnel.

No. 3, sorted ore from the dump of No. 2 tunnel.

Assays of these samples by Chas. O. Parker and Co. were as follows;

	Gold Ozs.	Silver Ozs.	Copper%	Lead%	Gross val.	Recoverable value.
No. 1	0.02	3.80	1.32	4.38	$17.81	$10.68
No. 2	0.02	9.60	.72	5.32	28.58	14.24
No. 3	.14	10.16	.75	7.58	33.46	20.07

It is obvious that ore of the value of No. 1 and 2 samples, under normal or present conditions cannot be shipped crude to the smelter, but must be concentrated. On the basis of crude ore shipment, ore of the No. 3 tenor, would bring net at the Arkansas Valley Plant of the American Smelting and Refining Co. $11.94 on todays metal markets.

The nature of the deposit, as now exposed, where the sulphides are scattered through the crystalline ground mass, precludes the possibility of hand sorting to obtain a crude shipping product. Samples Nos. 2 and 3 are the results of such an attempt. True there are encountered occurences of heavy sulphide ores than can be segregated and shipped crude, but the bulk of the ore, perhaps as much as 90% must be subjected to milling.

Conclusions.

The ore exposed in the present workings, is sufficient in extent to place the deposit inthe class of a good prospect. Similar occurences elsewhere have become important producers from these beds and associated vertical veins, and from the intersection of such veins with the lime member of the La Plats sandstone series. This limestone underlies the ore bed of this property by only a few tens of feet. By all means it should be prospected for vertical veins and faults. To my personal knowledge this particular bed on Mineral Ridge, near Ice Lake creek to the North has yielded some very good copper ore in carbonates and as the sulphide chalcopyrite. The results obtained in prospecting this bed can be seen on the Ice Lake trail above the Callow Mill.

The exposure of this copper ore just described and that at the Bandora Mine to the southwest, indicates very strongly that the ore deposition takes place at least half a mile westerly from the Mineral Slope cuts.

This favors the possibility of the ore deposits existing under the ridge at considerable depths. It is also noteworthy that according to the U.S.Geological Survey notes and maps, this series of La Plata and McElmo formations, extends under Ice Lake Basin to the vicinity of Ophir Colorado, a distance of over three miles. It is not reasonable to assume that the entire bed described will be found to be mineralized to the extent that it is at the Mineral Slope Cuts and tunnels. However since fractures, faultings and veins are present throughout this large area and the mineralizing soultions that may permeate them have found access to these beds under similar circumstances, extensive ore measures can be expected to occur. It is entirely possible that larger ore deposits and better grade may be encountered in the Mineral Slope Bed farther north, a short distance, where the vein described appears to cut through it. That is that the ore may improve to this vein and be present on both sides of it. In my opinion the deposit is of sufficient importance to warrant further development and the additional prospecting here suggested.

The cost of development of the ores of this softer formation will be less than that of the harder overlying volcanics of this area. Crosscutting drifting and raising will cost about $25 per foot, for a 5 x 7 ft. opeming. Transportation rates will be about $10 per trip from Silverton, up to 2 tons of supplies, excepting when it can be handled on the return of outgoing ore hauling trips. The rate for transportation of ore from this locality is $2.40 per ton. The expenditure of $10,000 for prospecting, road building and preliminary development is indicated as warranted by the facts already determined.

Recommendation for further development.

A detailed search of the surface should be made to determine the extent of the veins or faults and their relation to the ore deposition. The extent of occurences of any such veins should be determined in the overlying andesite also, where conditions are sometimes favorable for ore deposition.

If the results of such an examination are favorable, a plan of development could then be safely undertaken. A road will have to be built to the No. 2 or 1 cuts, for the transportation of mining equipment to that locality. A turn around will have to be provided there.

Development of the ore should be done by machinery to the greatest extent possible. The nature of this development should probably the driving of a drift along the ore bed to determine its depth into the mountain. With such a drift, the ore can be slushed down to its level from higher elevations on the bed. Should the preliminary stages of the development prove satisfactory, a jig back tramway should be built from the portal of Cut. No. 1 or 2 to the Mill Site below, so as to avoid winter conditions on a steep hill side. The Bandora Mine to the southwest has yielded similar ore to the Mineral Slope ore, in considerable tonnages. Some of the veins have been consistently rich and according to one operator wire silver was frequently encountered.

After the preliminary development, a logical step would be to build a mill of sufficient capacity to treat the ores of the property on the ground, shipping only the concentrate.

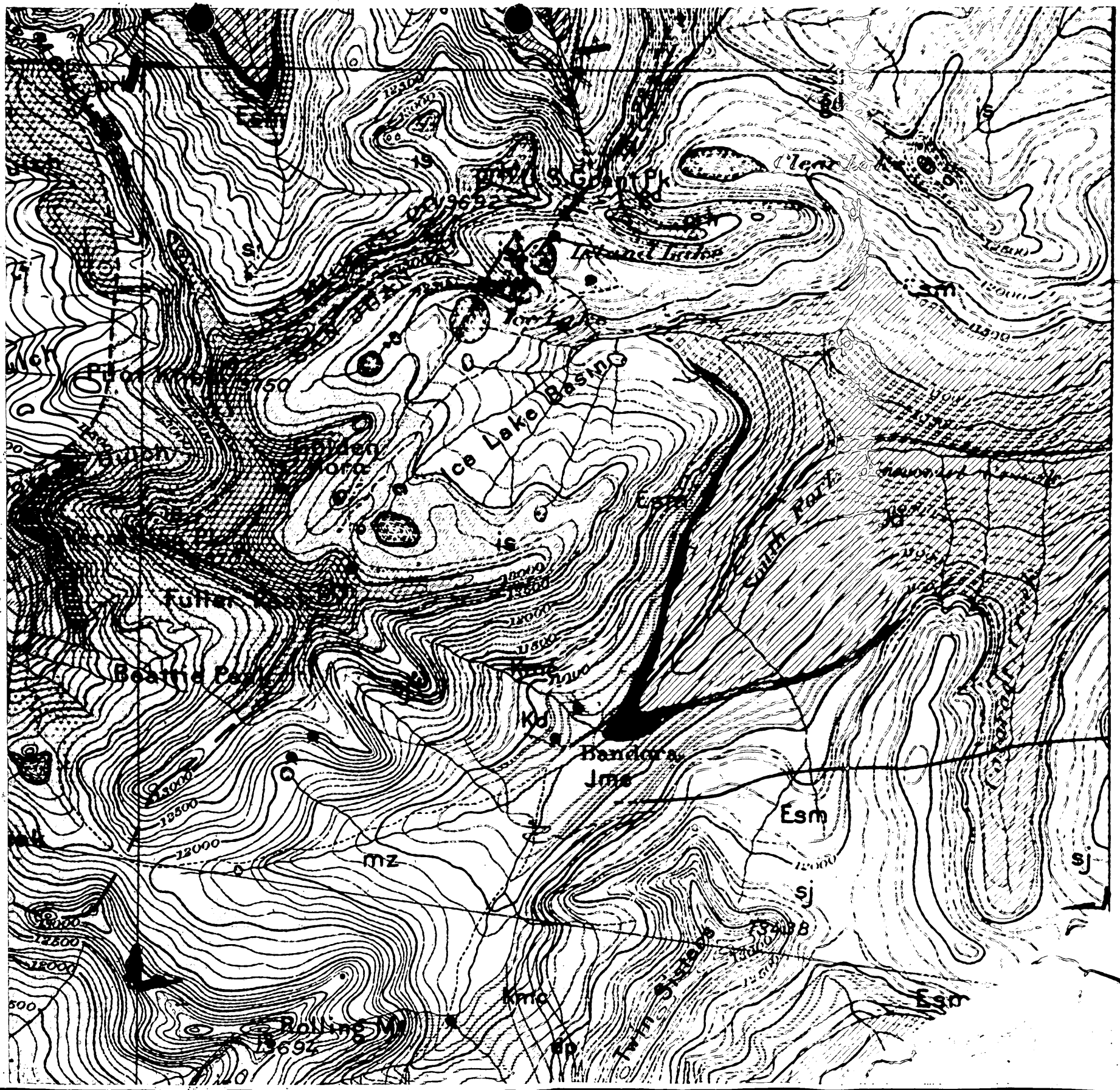
A good start has been made in the development of the ore beds of this group.

June 14,1949

Respectfully Submitted

Warren C. Prosser

Mining Engineer
U.S.Mineral Surveyor.

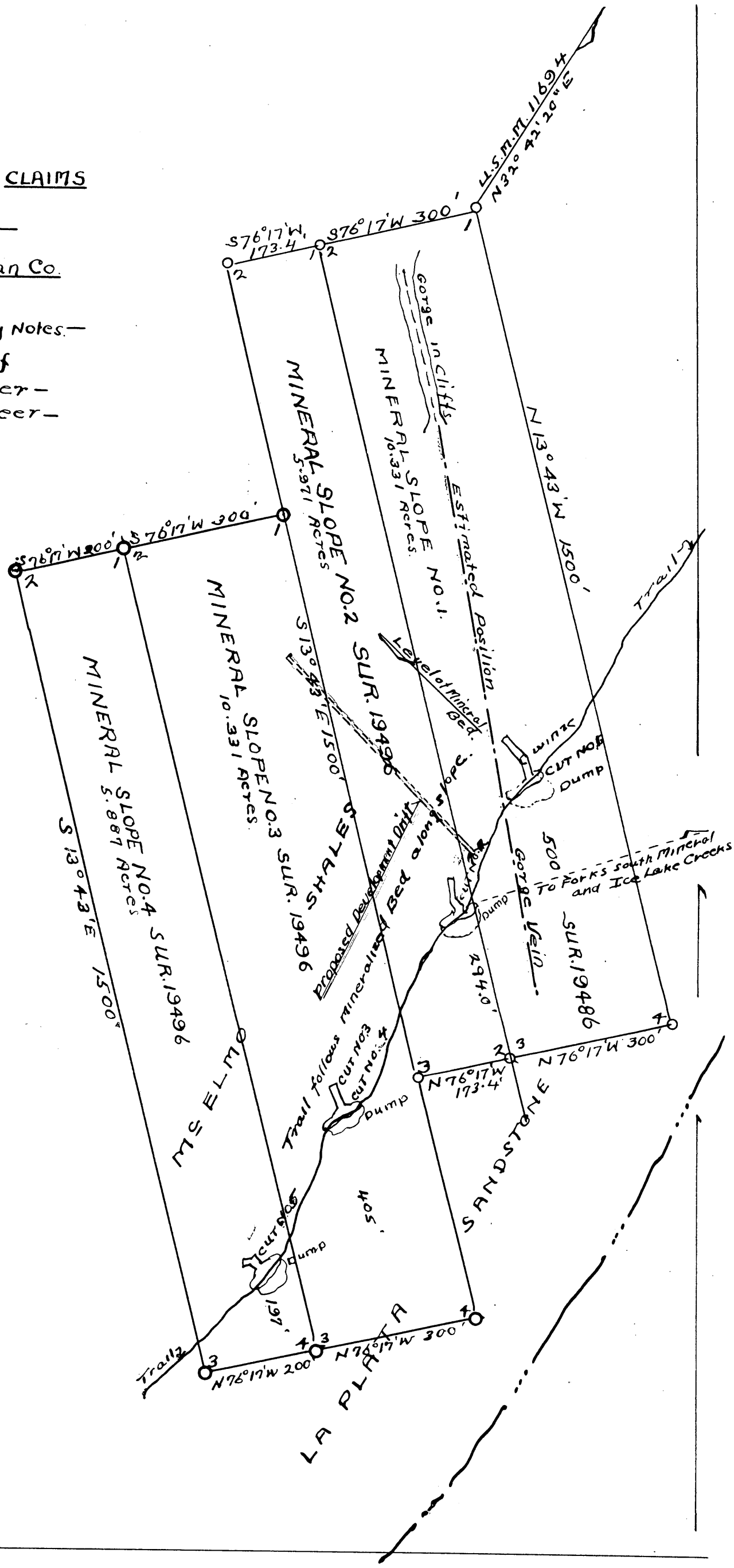

Ice Lake Basin
Fuller Peak
Beattie Peak
Bandora
Rolling Mt
Twin Sisters
South Park
Esm
Jme
Kd
mz
sj
Esr
Kmc
Ep
is
Jd

MINERAL SLOPE LODE CLAIMS
of
—A.C. HAMMER—

Ice Lake Min. Dist. San Juan Co.
— Colorado —

—Drawn from Patent Survey Notes—
—To accompany Report of
—Warren C. Prosser—
—Mining Engineer—

Scale 1 in = 200 ft.



FILE COPY
SURNAME:

400

Blakemore
Mittendorf

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

SEP 17 1951

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

Re: Docket No. DMA 1474
Frank Landauer
Exploration Contract

Dear Mr. East:

Enclosed are two copies of the memo to the Production Expansion Division from the General Counsel, dated September 14, 1951 in reply to your memo on subject contract, dated August 24, 1951 to me.

Sincerely yours,

BJ 9/17

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosures-2

Typed 9/17/51
PBBlakemore/meh
cc to: Reports and Records
Messrs. Mittendorf, Olund
Mr. Blakemore
Region IV
Docket

Under the circumstances we see no basis for the cancellation of the contract nor any necessity for a suspension of it until next spring.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment

RRGUTHRIE/ema

Copy to: Reports & Records
R. R. Guthrie
J. L. Hofflund
Chron.

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

224 New Customhouse
Denver 2, Colorado

September 3, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Termination of Contract I-DMA-E19, Docket DMA 1474, Frank Landauer (Lead-Zinc)

Enclosed are the original and two copies of "Recission of Exploration Project Contract by Agreement Before Work is Begun" covering Contract I-DMA-E19.

W. H. King

W. H. King

Enclosures

SAS
9-8-52

FILE COPY
SURNAME:

Blakemore
Mittendorf

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

Landauer, Frank

G.E.C.

Memorandum

TO: General Counsel

FROM: Director, PBL-DMA

SUBJECT: Legal Advice
Docket No. DMA-1474
I-DMA-E19, Lead-Zinc-Copper
Exploration Contract
Frank Landauer, Denver, Colorado

The attached copy of letter of August 24, 1951 from Executive Officer, DMA Field Team, Region IV is self-explanatory.

The amount of money involved is $15,500.00 of which the Government's share is $7,750.

In addition to the suggested cancellation, would it be possible to amend with a suspension, until such time as the operator could start work next spring?

C. O. Mittendorf

Attachment

PBBLAKEMORE/jem
8-28-51

cc to: Adm. Reading File
Reports & Records
Mr. Mittendorf-Mr. Olund
Mr. Blakemore
Docket Copy

G.E.C.

DEPARTMENT OF THE INTERIOR
RECEIVED
AUG 28 1951
Defense Minerals Administration,
Production Expansion Division.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION IV

OFFICE OF
REGIONAL DIRECTOR

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

August 24, 1951

No. 1474

Memorandum

To: C. O. Mittendorf

From: Regional Director, Region IV

Subject: Contract I-DMA-E19

Frank Landauer is the holder of contract I-DMA-E19, dated June 22, 1951. The time for starting work under this contract was left blank on the contract that is on file in this office. We have written Mr. Landauer to advise us when he starts work and his reply has been that he does not intend to start work until next spring. The contract covers the period of two years and by starting work next spring, the allowable time will be cut to about 18 months. The mine is in the San Juan district and if we have heavy snows this winter, one year of elapsed time will be gone by from the signing of the contract to the starting of work.

With the attitude taken by Mr. Landauer, we wish to recommend that this contract be cancelled and have your office advise Mr. Landauer of the cancellation.

From the fact that the contract does not state when work must start, it may be that we cannot take the action above, but I would like to have Mr. Hofflund's opinion on it.

J. H. East, Jr.

J. H. East, Jr.

Copy to: Director's Reading File
A. H. Koschmann, USGS
P. T. Allsman

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 28 1951

FILE COPY
SURNAME:

Mittendorf

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

July 10, 1951

G.E.C.

Mr. Frank McAtee, Jr.
Contract Services Section
General Accounting Office
4th Floor - New G.A.O. Building
Washington 25, D. C.

Re: Docket No. DMA-1474
Frank Landauer
Exploration Project Contract
No. Idm-E19

Dear Mr. McAtee:

Enclosed for recording in your office is the original of an executed Exploration Project Contract between the Operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

SPWarren/ecl

cc to: Admr's. Reading File
Messrs. Mittendorf - Olund
Strobel
Lyon
McKnight
J. H. East, Jr., Reg. IV (2)
Warren
F I L E S

FILE COPY
SURNAME:

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

Mailed
JUN 26 1951

AIR MAIL

Warren
Ford
Gordon
Mittendorf

Mr. J. H. East, Jr.
Executive Officer, Region IV
224 New Customhouse
Denver, Colorado

Dear Mr. East:

Re: D.M.A. Docket No. 1474--Mineral Slope Mine

Enclosed please find six copies of the contract covering the subject exploration project.

East 3 copies + Carbons

This contract has been signed by Mr. James Boyd, Administrator, and given a project number with effective date as shown.

The contract required six copies of Landlord's Subordination Agreement (Form MF202) from E. L. Hammer and Belle A. Goodwin to Frank Landauer.

Also it will be necessary to furnish three additional copies of the maps, and of lease and option because only three copies of each of the above are presently available. The contract for labor is approved if and when signed, and six copies are furnished and attached to the exploration project contract.

The exploration project contract must be signed by a duly authorized official of the Company without any change in its contents. If any provisions are unsatisfactory to the operator, the contract must be returned to this office for re-execution. After signing, you can proceed according to Procedure 11 - May 22, 1951.

We trust there are sufficient data to expedite the completion of this contract.

Sincerely yours,

Enclosure

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

APPROVED:

Tom Lyon
Chairman Coordinating Committee

Member Bureau of Mines

McKnight
Member Geological Survey

SPWarren/ecl

cc: Messrs. Mittendorf - Olund
Strobel Lyon
Moon Warren
Herres Admin. Reading File
McKnight Field Team (2)
F I L E S

FILE COPY
SURNAME:

Guthrie

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

June 21, 1951

Memorandum

To: C. O. Mittendorf

From: J. L. Hofflund

Subject: Mineral Slope Mine exploration contract — Docket No. DMA-1474

This office has reviewed the contract in the above-styled case and finds it in satisfactory form for execution. After execution, the effective date should be inserted in the contract.

Your file in this case is returned.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachments

RRGuthrie/ema

Copy to: L. F. Strobel
R. R. Guthrie
J. L. Hofflund
Chron.
Files

FILE COPY
SURNAME:

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

June 13, 1951

Mr. Frank Landauer
9 W. 13th Avenue
Denver, Colorado

Subject: DMA-1474X
Re: Exploration Loan -
Mineral Slope

My dear Mr. Landauer:

Receipt is acknowledged of your application and attachments of May 25, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1474X and referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on June 6, 1951.

In any future correspondence relating to your application kindly refer to DMA-1474X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel jc
Executive Secretary

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

McKinzie Records
6/5/51
Mots

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA-1474

Commodity Lead-zinc-copper

Total Amount $15,500.00

Govt. Participation 50%

1. Name and Address of Applicant Frank Landauer, 9 W. 13th Avenue, Denver, Colorado

2. Location of Property Mineral Slope, 7½ miles west of Silverton, San Juan County, Colorado. Specific claims are listed in lease and shown on claims map.

3. Mineral or metal Lead-zinc-copper 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~~ Fair (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? No
(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

MEMORANDUM to accompany application for Aid in Exploration, Docket DMA-1474X.

Frank Landauer. Mineral Slope Property
South Mineral Creek
San Juan County, Colorado

The geologic conditions are adequately described by Mr. Warren C. Prosser, Mining Engineer and U. S. Mineral Surveyor, whom I personally know to be fully competent to make the report.

The operations of the Bandora mine, not far from this property, are well known and indicative of possibilities in this area. From the description given by Mr. Prosser the chances appear fair, at least, that similar deposits might exist on the Mineral Slope property. Ore deposits of this kind formed by replacement of the sandy and limy beds of the Jurassic formations form a group of deposits occurring widely along the western edge of the volcanic district. As a group they have contributed only a small fraction of the total mineral output. A small number of exceptional deposits have been very remunerative.

However, in view of the difficulties of exploration, mining, and their relative worth as a whole, the deposits are considered only fair exploration risks as compared to the true vein deposits.

W. S. Burbank
Geologist

7. Are subordination agreements necessary? Yes

a) MF-201? Not required

b) MF-202 Required, but not attached

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

a) Available manpower Available

b) Equipment and supplies Available in the area
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Adequate

d) Water (question 13)* Adequate

e) Power (question 13)* Gasoline

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)* The man who will be in charge has had 15 years mining experience.

Is a field check needed on this point? No

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

a) Is the project adequately described? Yes

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? Yes

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

If not, what part of it is? _____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? After a fashion

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

e) Are the cost estimates reasonable? Yes

f) Should more information be requested from applicant? No

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.
Tunnel portal building - $2,500.00

c) Is a field check needed?_____

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

a) Is it applicable? Yes

b) Sufficient data? No If so, attach a draft. Rental costs not broken down.

c) Are rents and charges reasonable? Seems reasonable

d) Is a field check needed? No

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

10. (d) (as summarized in Procedural Instruction 5-A)

	Tunnel portal building (new construction).....	$ 2,500.00
500	Ft. drifting contract at $15.00 per ft. labor..	7,500.00
	Rental of compressor, drills, hose, steel colum, forge, bit grinder	2,500.00
	Supplies: gas, oil, powder, caps, fuse, rail, cars, etc.....	2,675.00
	Hand tools, bits.....	325.00
	Total cost of project...	$15,500.00
	Average cost per ft. of drifting.....	31.00

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.
Recommended for approval on geological basis - E. J. L. - GS
Recommended for approval - G. A. A. - BM

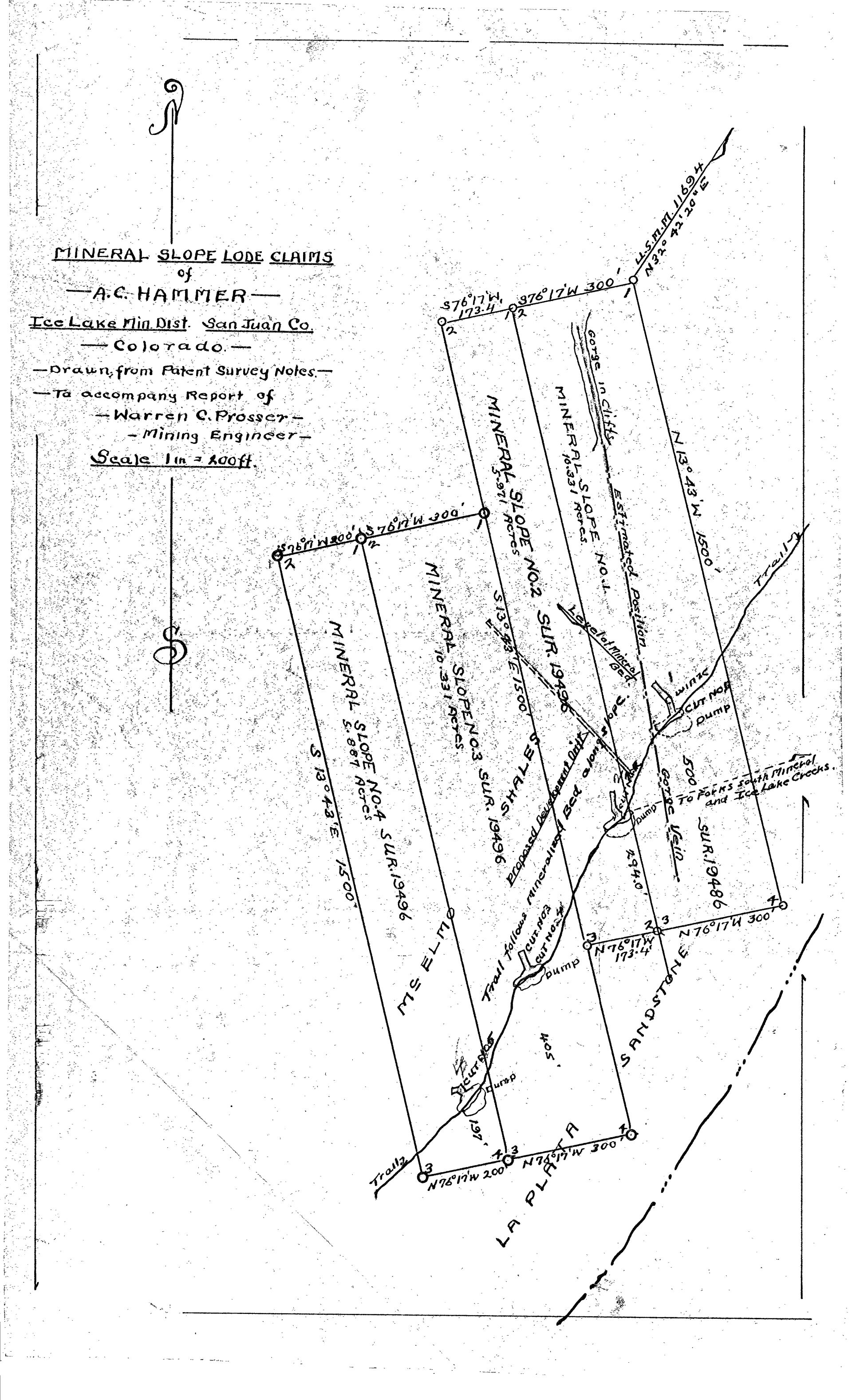
17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question?

Reviewed by: Erwin J. Lyons - GS

G. A. Apell - BM

Date 6/15/51

97692


MINERAL SLOPE LODE CLAIMS
of
—A.C. HAMMER—
Ice Lake Min. Dist. San Juan Co.
— Colorado. —
—Drawn from Patent Survey Notes.—
—To accompany Report of
—Warren C. Prosser—
—Mining Engineer—
Scale 1in = 200ft.
U.S.M.M. 11694
N 32° 42' 20" E
S 76° 17' W. 173.4
S 76° 17' W 300'
N 13° 43' W 1500'
Gorge in Cliffs
Estimated Position
MINERAL SLOPE NO.1
10.331 Acres
MINERAL SLOPE NO.2 SUR. 19496
5.971 Acres
S 13° 43' E 1500'
Level of Mineral Bed
Winze
Cut No.5
Dump
Trail
S 76° 17' W 200'
S 76° 17' W 300'
MINERAL SLOPE NO.3 SUR. 19496
10.331 Acres
MINERAL SLOPE NO.4 SUR. 19496
5.887 Acres
S 13° 43' E 1500'
Proposed Development Drift along Mineralized Bed
Cut No.4
To Porter's South Mineral and Ice Lake Creeks.
494.0'
Gorge Vein
SUR. 19486
500
MS ELMO
Trail follows Mineralized Bed
Cut No.3
Cut No.2
Dump
N 76° 17' W 173.4'
N 76° 17' W 300'
SANDSTONE
Cut No.5
Dump
197'
50'
Trail
N 76° 17' W 200'
N 76° 17' W 300'
LA PLATA