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

224 New Customhouse
Denver 2, Colorado

December 15, 1953.

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: DMEA Field Team, Region IV

Subject: Report of Examination - DMEA Docket 2723 (Lead-Zinc), Paragon Mines, Inc., San Bernardo Mine, San Miguel County, Colorado.

Enclosed are four copies of the report of examination on the subject property.

The docket has been closed.

W H King
W. H. King

A H Koschmann
A. H. Koschmann

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
12-28-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

December 15, 1952

Memorandum

To: Field Team, Region IV

From: Acting Chief, Mining Division, Region IV

Subject: Final Report, DMEA Docket 2723, (Lead-Zinc-Copper) Paragon Mines, Inc., San Bernardo Mine, San Miguel County, Colorado

Enclosed are eight copies of the final engineering report on the subject docket.

The examining engineer recommends a 75 foot winze in the hanging wall and 100 feet of drifting at the bottom of the winze.

We concur in this recommendation.

W. H. King
W. H. King

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE

12-29-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
November 26, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMEA 2723 (Lead-zinc-copper), Paragon Mines, Inc. (San Bernardo mine), San Miguel County, Colorado

Please find enclosed the original and eight copies of Russell R. McLellan's memorandum covering the subject loan request.

We have prepared only a memorandum in this case because all the data with reference to the property are contained in two previous complete reports on dockets DMA 542 and DMEA 2521.

The applicant requested $25,000.00 to sink a 150-foot winze and drive 200 feet of drift on the vein from the bottom of the winze. His cost estimates are low. Instead, McLellan suggests sinking a vertical winze with the collar located 1,900 feet from the portal of the number 5 adit level 75 feet in the hanging wall, at which depth the vein should be encountered and a drift driven on it 100 feet west. The project is estimated to cost $17,097.00 and it is recommended that a contract be prepared on a short form MP-200 (A) with sinking at about $153.00 per foot and drifting at about $57.00 per foot.

I approve the recommendation only because the project could conceivably result in some production of needed lead, zinc, and copper. There is little likelihood of a commercial operation resulting or of the Government recovering much of its part of the loan.

The brochure furnished by the Region IV Field Team is returned herewith.

W. M. Traver, Jr.

W. M. Traver, Jr.

enclosures

WMT/eb

cc 8
DMEA 2723, Chron

Reviewed by
DMEA OPERATING COMMITTEE
12-28-53
(Date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
200 New Customhouse
Denver 2, Colorado

November 14, 1952

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 2723, Paragon Mines, Inc., San Bernardo Mine, San Miguel County, Colorado.

Attached are 8 copies of the geological report by E. N. Harshman covering DMEA Docket 2723, Paragon Mines, Inc., San Bernardo Mine, San Miguel County, Colorado.

The applicant proposes to explore for lead-zinc ore by sinking a 150-foot winze and drifting 200 feet along the vein. The vein in the San Bernardo mine has been explored by a drift most of which is now caved. Where observed the vein is 2 to 8 feet wide and consists of numerous narrow silicified zones separated by sheets of altered country rock. The ore consists of galena, pyrite, freibergite, and some sphalerite. Several tons of ore were removed from the caved stope fill during an attempt to reopen one of the drifts.

There is, thus, sufficient evidence of ore in the San Bernardo mine to justify limited exploration. Harshman, therefore, recommends that the application be approved but that 75 feet of winze be sunk and 100 feet of drifting westward from the bottom of the shaft be undertaken.

I concur in this recommendation.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (8)

Reviewed by
DMEA OPERATING COMMITTEE
12-29-53
(Date)

PARAGON MINES, INC.

SAN BERNARDO MINE

SAN MIGUEL COUNTY, COLORADO

DMEA DOCKET 2723

Geologic Report

By E. N. Harshman
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE

12-28-53
(date)

PARAGON MINES, INC.
SAN MIGUEL COUNTY, COLORADO

INTRODUCTION

The first application for exploration assistance at the San Bernardo mine was made in January 1951 by Mr. Otto Beselack, president and manager of Paragon Mines, Inc. In that request, DMA Docket 542, the applicant proposed to drive between 200 and 800 feet of lateral drift around a caved area on the No. 5 level of the San Bernardo mine, and rehabilitate several hundred feet of old drift. In the report by W. B. Meek of the U. S. Geological Survey and F. D. Everett of the U. S. Bureau of Mines, it was concluded that the work did not come within the scope of exploration and they recommended denial of the application.

Subsequently the applicant presented a second request to Washington, reducing the amount of loan from $50,000 to $15,000. This request was denied without being sent to the field.

Again, in May 1952, the applicant applied for exploration assistance, DMEA Docket 2521, in the amount of $15,000 to cover the cost of 300 feet of drift around the caved area and 200 feet of new drift on the San Bernardo vein. The new proposal was essentially the same as that made in the 2 earlier requests, and the proposed work was considered as preparation for the extraction of broken "ore" in the stopes above the level. Scott W. Hazen, Jr., of the U. S. Bureau of Mines, in an engineering report, and E. N. Harshman in a memorandum to A. H. Koschmann recommended denial.

At the time of the second investigation the field team discussed with Mr. Beselack the reasons for the denial of the 2 previous applications,

and explained to him that his present one (2521) would probably be denied on the same grounds. It subsequently was denied. At the same time the field team discussed with him the advisability of emending his application to request winzing 75 feet and then drifting 100 feet on the San Bernardo vein on the winze level. At that time Mr. Beselack was not interested in exploration below the No. 5 level.

The present application, DMEA Docket 2723, requests exploration assistance in sinking a 150-foot winze and drifting 200 feet along the vein to explore for lead-zinc ore. The applicant's estimated cost of the project is $25,000.

A brief examination of the property was made on September 18, 1952, with R. R. McClellan of the U. S. Bureau of Mines and Mr. Otto Beselack, the applicant.

GEOLOGY

The geological conditions are essentially the same as described by W. B. Meek in the geological report included in DMA Docket 542. In summary, the reported ore deposits occur in the San Bernardo fissure vein, a strong structure which strikes N. 80° W. and dips 60°-70° S. Diorite-monzonite is exposed along the No. 5 level drift to a point about 900 feet inward from the portal. The remainder of the drift, about 2200 feet, is in gently dipping Mances shale (fig. 1 in engineering report).

Wall rock alteration has not been intense. The shales are somewhat silicified and fine grained pyrite is present in the shales adjacent to the vein. The diorite-monzonite has been somewhat chloritized and sericitized.

The San Bernardo vein was observed only to the east of the ore shoot indicated by the stopes shown on fig. 1 in the engineering report. Where observed, the vein ranged from 2 to 8 feet wide and consisted of numerous narrow silicified zones separated by sheets of altered country rock. The vein is a very strong structure with definite walls and gives every appearance of continuing laterally and in depth.

Several tons of ore were removed from the caved stope fill during an attempt to re-open the No. 5 level drift. This ore consists of galena, pyrite, freibergite, and some sphalerite. The ore was in pieces 1-1½ feet in diameter, a fact indicating that at isolated points, at least, high grade ore occurred in mineable widths.

ORE RESERVES

Meek and Everett, in their report on DMA Docket 542, estimate reserves at 65,000 tons of indicated ore averaging 0.03 oz. Au, 20.19 oz. Ag, 0.55% Cu, and 2.49% Pb. The ore zone was not accessible and the estimate was based on data furnished by Mr. Beselack. Production records from the U. S. Bureau of Mines show that from 1902 to date the San Bernardo mine has produced 88,781 tons of ore with a recovered grade (about 80% recovery) of 0.017 oz. Au, 6.83 oz. Ag, 0.13% Cu, and 1.59% Pb.

CONCLUSIONS AND RECOMMENDATIONS

It is concluded that there is sufficient evidence of ore in the San Bernardo mine to justify limited exploration. The present exploration program proposed by the applicant appears excessive in amount, and it is suggested that it be reduced to 75 feet of winze and 100 feet of drifting

westward from the bottom of the winze. It is further suggested that the winze be located as shown on fig. 1 in the engineering report. Considerable water is running through the caved drift whereas the recently driven parallel drift is dry. Considering the south dip of the vein, the bottom of the winze should cut the San Bernardo vein. The reduced exploration program should be sufficient to expose the vein and ascertain definitely the width and grade of any ore shoot occurring along it. Upon completion of this exploration, should conditions warrant, a second stage of exploration can be formulated.

It is recommended that DMEA Docket 2723 be approved, for the reduced exploration program, at a cost estimated by the U. S. Bureau of Mines to be $17,097 (Government participation $8,548.50).

DMEA 2723

PARAGON MINES, INC.
SAN BERNARDO MINE
SAN MIGUEL COUNTY, COLORADO

Engineering Report

By Russell R. McLellan
Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE

12-29-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
November 26, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: Russell R. McLellan

Subject: DMEA 2723 (Lead-zinc-copper), Paragon Mines, Inc. (San Bernardo mine), San Miguel County, Colorado

Otto Beselack, manager of Paragon Mines, Inc., has reapplied for assistance to explore for lead, zinc, and copper in the San Bernardo mine, San Miguel County, Colo. Three previous applications, two under docket DMA 542 and one under docket DMEA 2521, have been denied mainly because the proposed work was considered as preparatory to the extraction of measured ore. The present application outlines a modified program of sinking and drifting that, in contrast to the previous proposals, unquestionably is exploration. At an estimated cost of $25,000.00, the applicant proposes to sink a winze 150 feet in depth and to drift 200 feet along the vein from the bottom of the winze. In considering the very low grade of the past production, the exploration program should be reduced to 75 feet of sinking and 100 feet of drifting. If encouraging mineralization is encountered an extension of the program probably could be recommended. The cost of the revised program is estimated to be $17,097.00, of which the Government's share will be 50 percent, or $8,548.00.

Details concerning location, history, production, ownership, geology, reserves, and present status are described in the engineering and geologic sections of DMA 542 and DMEA 2521.

On September 18, 1952, Russell R. McLellan of the Bureau of Mines and E. N. Harshman of the U. S. Geological Survey were conducted through the mine by the manager, Otto Beselack, Beselack provided maps and all information necessary to complete the examination.

The applicant's proposals to sink 150 feet and drift 200 feet are reduced to 75 feet of sinking and to 100 feet of drifting. The winze should be driven vertically in the hanging wall at the turnout point approximately 1,900 feet from the portal of the number 5 level (fig. 1). At this point the collar of the winze will be approximately 30 feet from the vein. The winze should encounter the vein slightly before a depth of 75 feet is reached, providing the dip of the vein remains constant. By driving the winze in the wall rock, considerable trouble with water and bad ground will be avoided. The drift will be driven westward along the vein for 100 feet.

The costs, particularly labor, are expected to be considerably higher than the applicant's estimates. Contract labor for sinking could not be obtained at nearby Silverton, Colo., at the rate of $75.00 per foot; however, this figure will be used for calculating costs in the present program. Following are the estimated costs for the exploration project:

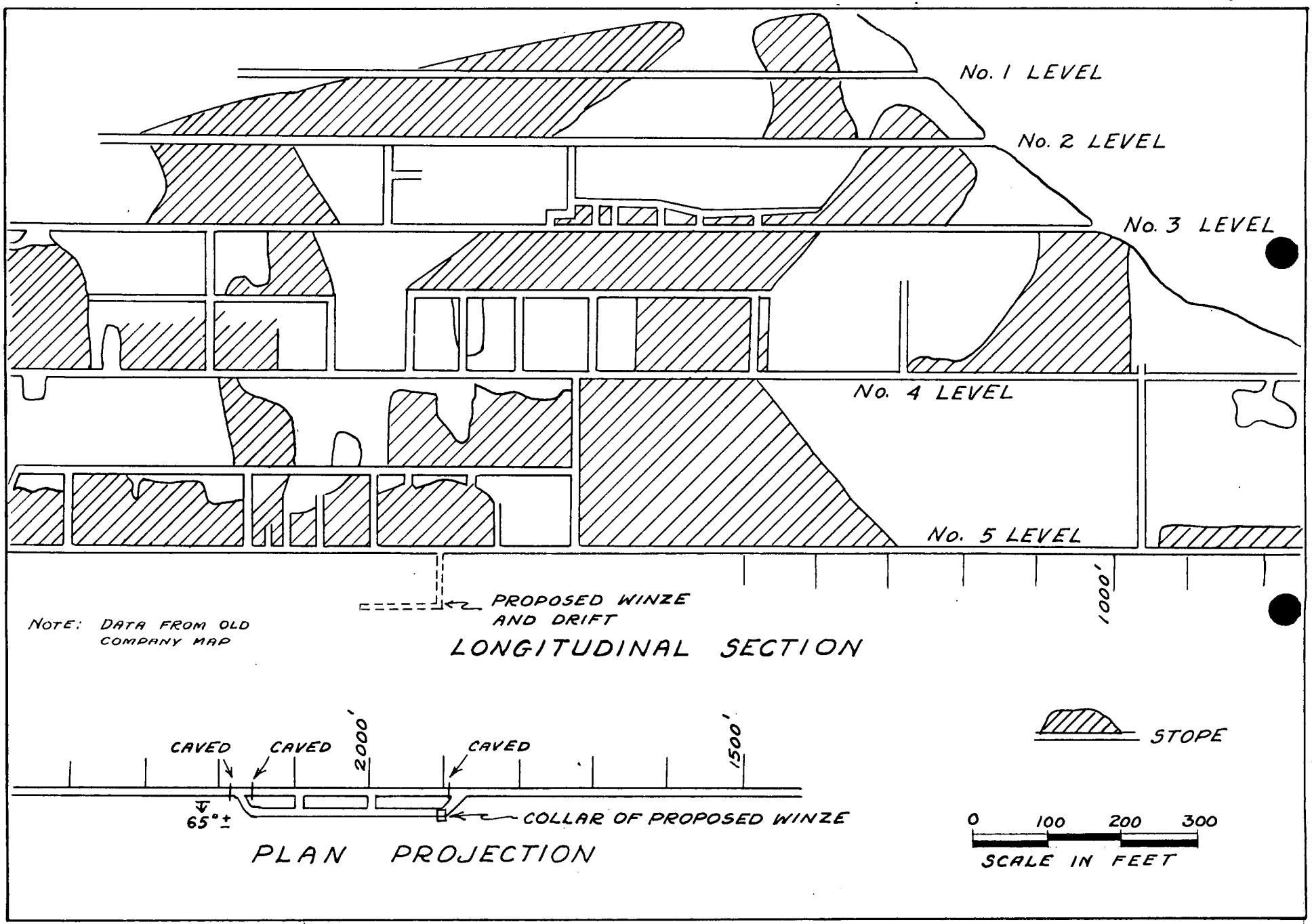

FIG. 1. PROPOSED EXPLORATION, SAN BERNARDO MINE, SAN MIGUEL COUNTY, COLORADO, DMEA 2723

1. Sink 75 feet - 3 months

Contracts

Sink 75 feet at $75.00 per foot, including cutting a station, timbering labor, and overtime		$ 5,625.00

Labor and Supervision

1 trammer at $1.50 per hour, 3 months, including overtime	$ 1,014.00	
1 compressor man at $1.50 per hour, 3 months, including overtime	1,014.00	
1 mine superintendent at $400.00 per month, 3 months	1,200.00	3,228.00

Operating Materials and Supplies

Timber	$ 400.00	
Explosives, caps, and fuse	260.00	
Pipe	100.00	
Electric power	600.00	
Drill steel and bits	100.00	
Other	100.00	1,560.00

Operating Equipment

Furnished by operator

(Depreciation for 3 months) 1 Imperial Type 10 Ingersoll-Rand air compressor with 75 hp. electric motor, valued at $5,600.00, $93.00 per month	$ 279.00	
1 Ingersoll-Rand air drill, valued at $500.00, $8.00 per month	24.00	
1 Universal Tramaire, valued at $1,825.00, $30.00 per month	90.00	
7 1-ton roller bearing ore cars, valued at $900.00, $15.00 per month	45.00	438.00

Miscellaneous

Repairs to equipment	$ 200.00	
Social security	133.00	
Workmen's compensation	260.00	593.00
Total cost of sinking		$11,444.00
Over-all cost per foot of sinking		$ 152.58

2. Drift 100 feet - 2 months

Contracts

Drift 100 feet at $13.00 per foot, including timbering labor and overtime		$ 1,300.00

Labor and Supervision

1 trammer at $1.50 per hour, 2 months, including overtime	$ 676.00	
1 compressor man at $1.50 per hour, 2 months, including overtime	676.00	
1 mine superintendent at $400.00 per month, 2 months	800.00	2,152.00

Operating Materials and Supplies

Timber	$ 300.00	
Explosives, caps, and fuse	300.00	
Pipe	150.00	
Track, ties, spikes, plates, bolts	100.00	
Electric power	400.00	
Drill steel and bits	110.00	
Other	100.00	1,460.00

Operating Equipment

Furnished by operator

(Depreciation for 2 months) 1 Imperial Type 10 Ingersoll-Rand air compressor with 75 hp. electric motor, valued at $5,600.00, $93.00 per month	$ 186.00	
1 Ingersoll-Rand air drill, valued at $500.00, $8.00 per month	16.00	
1 Universal Tramaire, valued at $1,825.00, $30.00 per month	60.00	
1 Eimco mucking machine, valued at $1,330.00, $22.00 per month	44.00	
7 1-ton roller bearing ore cars, valued at $900.00, $15.00 per month	30.00	336.00

Miscellaneous

Repairs to equipment	$ 200.00	
Sampling and analysis	50.00	
Social security	52.00	
Workmen's compensation	103.00	405.00
Total cost of drifting		$ 5,653.00
Over-all cost per foot of drifting		$ 56.53

SUMMARY OF COSTS

Contracts

1. Sink 75 feet at $75.00 per foot, including timbering labor, station cutting, and overtime	$ 5,625.00	
2. Drift 100 feet at $13.00 per foot, including timbering labor and overtime	1,300.00	$ 6,925.00

Labor and Supervision		
1 trammer, $1.50 per hour, 5 months, including overtime	$ 1,690.00	
1 compressor man, $1.50 per hour, 5 months, including overtime	1,690.00	
1 mine superintendent, $400.00 per month, 5 months	2,000.00	5,380.00
Operating Materials and Supplies		
Timber	$ 700.00	
Powder, caps, fuse	560.00	
Pipe	250.00	
Track, ties, spikes, bolts, plates	100.00	
Electric power	1,000.00	
Drill steel and bits	210.00	
Other	200.00	3,020.00
Operating Equipment		
Furnished by operator		
(Depreciation for 5 months) 1 Imperial Type 10 Ingersoll-Rand air compressor with 75 hp. electric motor, valued at $5,600.00, $93.00 per month	$ 465.00	
1 Ingersoll-Rand air drill, valued at $500.00, $8.00 per month	40.00	
1 Universal Tramaire, valued at $1,825.00, $30.00 per month	150.00	
1 Eimco mucking machine, valued at $1,330.00, $22.00 per month, (2 months only)	44.00	
7 1-ton roller bearing ore cars valued at $900.00, $15.00 per month	75.00	774.00
Miscellaneous		
Repairs to equipment	$ 400.00	
Sampling and analysis	50.00	
Social security	185.00	
Workmen's compensation	363.00	998.00
Total cost of exploration		$17,097.00

Although the San Bernardo vein appears to be strong and widely mineralized, the grade of the contained lead, zinc, and copper is so low according to production records that the advisability of exploring for these minerals is questionable. However, since the mine has produced considerable tonnage and since none of the stopes and upper workings are accessible for inspection or sampling, a limited amount of exploration is justified to expose the vein below the number 5 level.

The following program of exploration is recommended:

(1) Sink 75 feet vertically at the turnout point approximately 1,900 feet from the number 5 level portal.

(2) Drift 100 feet along the vein from the bottom of the winze.

It is recommended that the work be done under a short form contract at an over-all unit cost of $152.58 per foot for sinking and $56.53 per foot for drifting. The total cost should not exceed $17,097.00, of which the Government's share will be 50 percent, or $8,548.50.

Russell R. McLellan
Russell R. McLellan
Mining Engineer

RRM/cb

cc 8

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

224 New Customhouse
Denver 2, Colorado

December 15, 1953.

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Field Team, Region IV

Subject: DMEA Docket No. 2723 (Lead-Zinc), Paragon Mines, Inc., San Miguel County, Colorado.

The applicant failed to obtain the Mortgagor's Consent to Lien requested in our letters dated October 9, 1953 and November 2, 1953, copies of which were forwarded your office.

This docket is now closed.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Reviewed by
DMEA OPERATING COMMITTEE
12-28-53
(date)

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Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

December 15, 1952

Memorandum

To: Field Team, Region IV

From: Acting Chief, Mining Division, Region IV

Subject: Final Report, DMEA Docket 2723, (Lead-Zinc-Copper) Paragon Mines, Inc., San Bernardo Mine, San Miguel County, Colorado

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The examining engineer recommends a 75 feet winze in the hanging wall and 100 feet of drifting at the bottom of the winze.

We concur in this recommendation.

W. H. King
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Enclosures

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Region IV

Building 20, Room 137
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November 26, 1952

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DMEA 2723, Chron

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There is, thus, sufficient evidence of ore in the San Bernardo mine to justify limited exploration. Harshman, therefore, recommends that the application be approved but that 75 feet of winze be sunk and 100 feet of drifting westward from the bottom of the shaft be undertaken.

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A. H. Koschmann
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Colorado-Wyoming

Enclosures (8)

PARAGON MINES, INC.

SAN BERNARDO MINE

SAN MIGUEL COUNTY, COLORADO

DMEA DOCKET 2723

Geologic Report

By E. N. Harshman
U. S. Geological Survey

PARAGON MINES, INC.
SAN MIGUEL COUNTY, COLORADO

INTRODUCTION

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CONCLUSIONS AND RECOMMENDATIONS

It is concluded that there is sufficient evidence of ore in the San Bernardo mine to justify limited exploration. The present exploration program proposed by the applicant appears excessive in amount, and it is suggested that it be reduced to 75 feet of winze and 100 feet of drifting

westward from the bottom of the winze. It is further suggested that the winze be located as shown on fig. 1 in the engineering report. Considerable water is running through the caved drift whereas the recently driven parallel drift is dry. Considering the south dip of the vein, the bottom of the winze should cut the San Bernardo vein. The reduced exploration program should be sufficient to expose the vein and ascertain definitely the width and grade of any ore shoot occurring along it. Upon completion of this exploration, should conditions warrant, a second stage of exploration can be formulated.

It is recommended that DMEA Docket 2723 be approved, for the reduced exploration program, at a cost estimated by the U. S. Bureau of Mines to be $17,097 (Government participation $8,548.50).

DMEA 2723

PARAGON MINES, INC.
SAN BERNARDO MINE
SAN MIGUEL COUNTY, COLORADO

Engineering Report

By Russell R. McLellan
Mining Engineer
Bureau of Mines

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
November 26, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: Russell R. McLellan

Subject: DMEA 2723 (Lead-zinc-copper), Paragon Mines, Inc. (San Bernardo mine), San Miguel County, Colorado

Otto Beselack, manager of Paragon Mines, Inc., has reapplied for assistance to explore for lead, zinc, and copper in the San Bernardo mine, San Miguel County, Colo. Three previous applications, two under docket DMA 542 and one under docket DMEA 2521, have been denied mainly because the proposed work was considered as preparatory to the extraction of measured ore. The present application outlines a modified program of sinking and drifting that, in contrast to the previous proposals, unquestionably is exploration. At an estimated cost of $25,000.00, the applicant proposes to sink a winze 150 feet in depth and to drift 200 feet along the vein from the bottom of the winze. In considering the very low grade of the past production, the exploration program should be reduced to 75 feet of sinking and 100 feet of drifting. If encouraging mineralization is encountered an extension of the program probably could be recommended. The cost of the revised program is estimated to be $17,097.00, of which the Government's share will be 50 percent, or $8,548.00.

Details concerning location, history, production, ownership, geology, reserves, and present status are described in the engineering and geologic sections of DMA 542 and DMEA 2521.

On September 18, 1952, Russell R. McLellan of the Bureau of Mines and E. N. Harshman of the U. S. Geological Survey were conducted through the mine by the manager, Otto Beselack. Beselack provided maps and all information necessary to complete the examination.

The applicant's proposals to sink 150 feet and drift 200 feet are reduced to 75 feet of sinking and to 100 feet of drifting. The winze should be driven vertically in the hanging wall at the turnout point approximately 1,900 feet from the portal of the number 5 level (fig. 1). At this point the collar of the winze will be approximately 30 feet from the vein. The winze should encounter the vein slightly before a depth of 75 feet is reached, providing the dip of the vein remains constant. By driving the winze in the wall rock, considerable trouble with water and bad ground will be avoided. The drift will be driven westward along the vein for 100 feet.

The costs, particularly labor, are expected to be considerably higher than the applicant's estimates. Contract labor for sinking could not be obtained at nearby Silverton, Colo., at the rate of $75.00 per foot; however, this figure will be used for calculating costs in the present program. Following are the estimated costs for the exploration project:

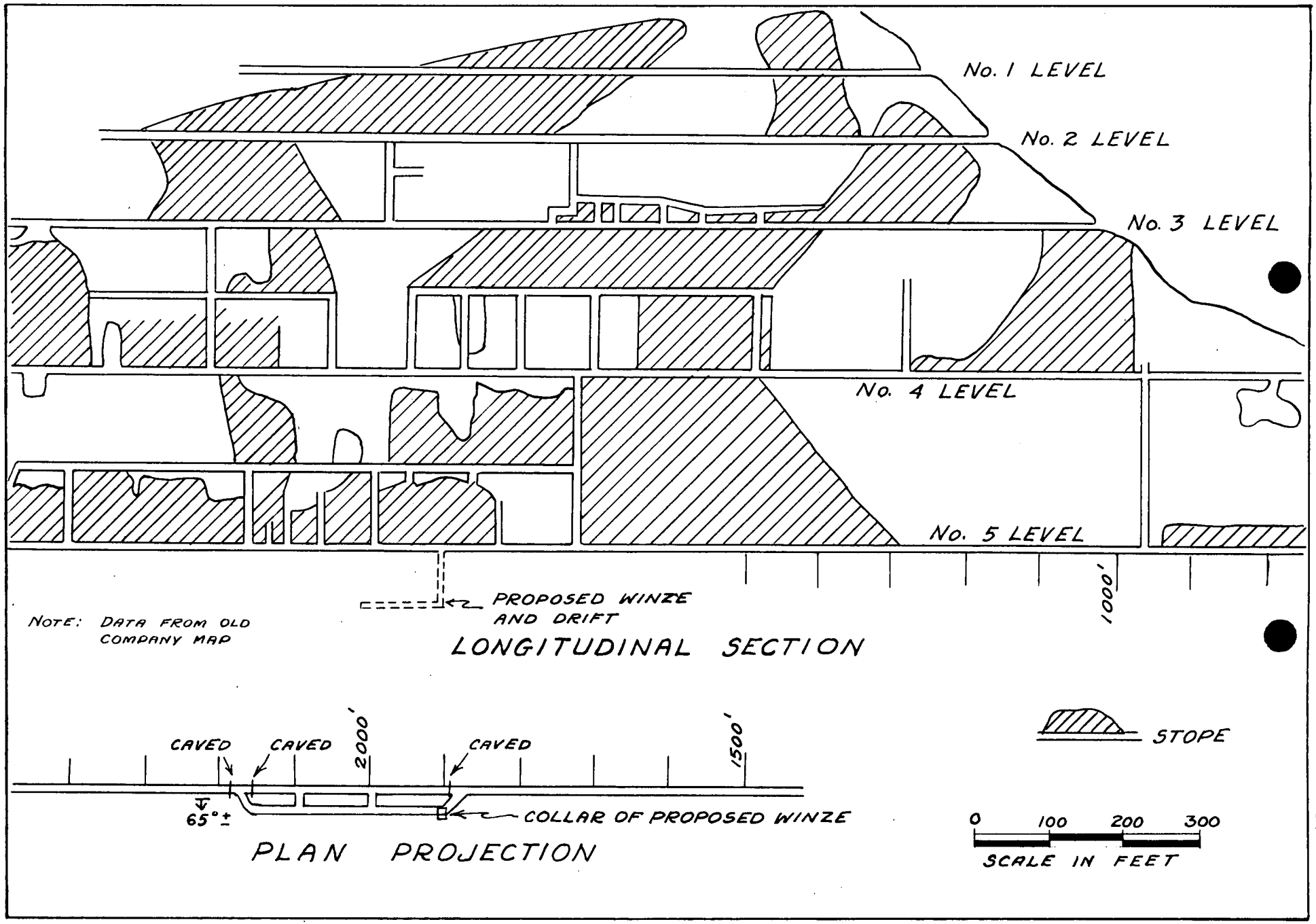

FIG. 1 PROPOSED EXPLORATION, SAN BERNARDO MINE, SAN MIGUEL COUNTY, COLORADO, DMEA 2723

1. Sink 75 feet - 3 months

Contracts

Sink 75 feet at $75.00 per foot, including cutting a station, timbering labor, and overtime		$ 5,625.00

Labor and Supervision

1 trammer at $1.50 per hour, 3 months, including overtime	$ 1,014.00	
1 compressor man at $1.50 per hour, 3 months, including overtime	1,014.00	
1 mine superintendent at $400.00 per month, 3 months	1,200.00	3,228.00

Operating Materials and Supplies

Timber	$ 400.00	
Explosives, caps, and fuse	260.00	
Pipe	100.00	
Electric power	600.00	
Drill steel and bits	100.00	
Other	100.00	1,560.00

Operating Equipment

Furnished by operator

(Depreciation for 3 months) 1 Imperial Type 10 Ingersoll-Rand air compressor with 75 hp. electric motor, valued at $5,600.00, $93.00 per month	$ 279.00	
1 Ingersoll-Rand air drill, valued at $500.00, $8.00 per month	24.00	
1 Universal Tramaire, valued at $1,825.00, $30.00 per month	90.00	
7 1-ton roller bearing ore cars, valued at $900.00, $15.00 per month	45.00	438.00

Miscellaneous

Repairs to equipment	$ 200.00	
Social security	133.00	
Workmen's compensation	260.00	593.00
Total cost of sinking		$11,444.00
Over-all cost per foot of sinking		$ 152.58

2. Drift 100 feet - 2 months

Contracts

Drift 100 feet at $13.00 per foot, including timbering labor and overtime		$ 1,300.00

Labor and Supervision

1 trammer at $1.50 per hour, 2 months, including overtime	$ 676.00	
1 compressor man at $1.50 per hour, 2 months, including overtime	676.00	
1 mine superintendent at $400.00 per month, 2 months	800.00	2,152.00

Operating Materials and Supplies

Timber	$ 300.00	
Explosives, caps, and fuse	300.00	
Pipe	150.00	
Track, ties, spikes, plates, bolts	100.00	
Electric power	400.00	
Drill steel and bits	110.00	
Other	100.00	1,460.00

Operating Equipment

Furnished by operator

(Depreciation for 2 months) 1 Imperial Type 10 Ingersoll-Rand air compressor with 75 hp. electric motor, valued at $5,600.00, $93.00 per month	$ 186.00	
1 Ingersoll-Rand air drill, valued at $500.00, $8.00 per month	16.00	
1 Universal Tramaire, valued at $1,825.00, $30.00 per month	60.00	
1 Eimco mucking machine, valued at $1,330.00, $22.00 per month	44.00	
7 1-ton roller bearing ore cars, valued at $900.00, $15.00 per month	30.00	336.00

Miscellaneous

Repairs to equipment	$ 200.00	
Sampling and analysis	50.00	
Social security	52.00	
Workmen's compensation	103.00	405.00
Total cost of drifting		$ 5,653.00
Over-all cost per foot of drifting		$ 56.53

SUMMARY OF COSTS

Contracts

1. Sink 75 feet at $75.00 per foot, including timbering labor, station cutting, and overtime	$ 5,625.00	
2. Drift 100 feet at $13.00 per foot, including timbering labor and overtime	1,300.00	$ 6,925.00

Labor and Supervision		
1 trammer, $1.50 per hour, 5 months, including overtime	$ 1,690.00	
1 compressor man, $1.50 per hour, 5 months, including overtime	1,690.00	
1 mine superintendent, $400.00 per month, 5 months	2,000.00	5,380.00
Operating Materials and Supplies		
Timber	$ 700.00	
Powder, caps, fuse	560.00	
Pipe	250.00	
Track, ties, spikes, bolts, plates	100.00	
Electric power	1,000.00	
Drill steel and bits	210.00	
Other	200.00	3,020.00
Operating Equipment		
Furnished by operator		
(Depreciation for 5 months) 1 Imperial Type 10 Ingersoll-Rand air compressor with 75 hp. electric motor, valued at $5,600.00, $93.00 per month	$ 465.00	
1 Ingersoll-Rand air drill, valued at $500.00, $8.00 per month	40.00	
1 Universal Tramaire, valued at $1,825.00, $30.00 per month	150.00	
1 Eimco mucking machine, valued at $1,330.00, $22.00 per month, (2 months only)	44.00	
7 1-ton roller bearing ore cars valued at $900.00, $15.00 per month	75.00	774.00
Miscellaneous		
Repairs to equipment	$ 400.00	
Sampling and analysis	50.00	
Social security	185.00	
Workmen's compensation	363.00	998.00
Total cost of exploration		$17,097.00

Although the San Bernardo vein appears to be strong and widely mineralized, the grade of the contained lead, zinc, and copper is so low according to production records that the advisability of exploring for these minerals is questionable. However, since the mine has produced considerable tonnage and since none of the stopes and upper workings are accessible for inspection or sampling, a limited amount of exploration is justified to expose the vein below the number 5 level.

The following program of exploration is recommended:

(1) Sink 75 feet vertically at the turnout point approximately 1,900 feet from the number 5 level portal.

(2) Drift 100 feet along the vein from the bottom of the winze.

It is recommended that the work be done under a short form contract at an over-all unit cost of $152.58 per foot for sinking and $56.53 per foot for drifting. The total cost should not exceed $17,097.00, of which the Government's share will be 50 percent, or $8,548.50.

Russell R. McLellan
Russell R. McLellan
Mining Engineer

RRM/cb

cc 8

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

Defense Minerals Adm.
RECEIVED
NOV 4 1953

224 New Customhouse
Denver 2, Colorado

November 2, 1953.

Mr. Otto Beselack
Paragon Mines, Inc.
Ophir, Colorado

Re: Docket DMEA-2723

Dear Mr. Beselack:

This will acknowledge receipt of your letter dated October 19, 1953 requesting that the proposed work be done on the 5th or main level in lieu of winze sinking.

Your original application, DMA-542, was denied on the basis that this same work which you now again propose was considered as preparatory to extraction of blocked out ore for which DMEA funds are not available.

We are not aware of any similarity in the work you mention which is being carried on in a neighboring mine.

As stated in our letter of October 9, 1953, we will close this docket on December 1, 1953 if we do not receive the Mortgagor's Consent to Lien or proof that the mortgage has been paid before that date.

Very truly yours,

W H King

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

HMC:cwm

cc: Administrator, DMEA
WMTraver
AHKoschmann (2)
Docket
Chron.
HMConnors

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1953

224 New Customhouse
Denver 2, Colorado

October 9, 1953

Mr. Otto Beselack
Paragon Mines, Inc.
Ophir, Colorado

Re: Docket No. DMEA-2723

Dear Mr. Beselack:

This will acknowledge receipt of your letter dated October 5 requesting an extension of time to work out a settlement with one of your mortgagors.

We will close this docket on December 1, 1953 if we do not receive the Mortgagor's Consent to Lien or proof that the mortgage has been paid before that date.

Very truly yours,

W. H. KING

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

HMC:jp
cc Subject
Chron
WMTraver
AHKoschmann
COMittendorf
HMConnors

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

224 New Customhouse
Denver 2, Colorado

September 10, 1953

Mr. Otto Baselack
Paragon Mines, Inc.
Ophir, Colorado

Re: Docket DMEA 2723

Dear Mr. Baselack:

On December 17, 1952, we sent you twelve copies of Form MF-201 Mortgagee's Consent to Lien and we requested that you have each mortgagee complete six copies and return them to this office.

We have not received the Mortgagee's Consent to Lien Form signed by either Mr. Sigfrid or Mr. Jones and if we do not receive them within thirty days we will presume that you are no longer interested in this exploration project and will close the docket.

Very truly yours,

W. H. KING

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

HMC:jp
cc Subject
Chron
WMTraver
AHKoschmann
HMConnors
COMittendorf

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

224 New Customhouse
Denver 2, Colorado

September 10, 1953

Mr. Otto Rosalsk
Paragon Mines, Inc.
Ophir, Colorado

Re: Docket DMEA 2723

Dear Mr. Rosalsk:

On December 17, 1952, we sent you twelve copies of Form MF-201 Mortgagee's Consent to Lien and we requested that you have each mortgagee complete six copies and return them to this office.

We have not received the Mortgagee's Consent to Lien Form signed by either Mr. Sigfrid or Mr. Jones and if we do not receive them within thirty days we will presume that you are no longer interested in this exploration project and will close the docket.

Very truly yours,

W. H. KING

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

HMC:jp
cc Subject
Chron
WMFraver
AHKoschmann
HMConnors
COMittendorf

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

224 New Customhouse
Denver 2, Colorado

June 2, 1953

Mr. Otto Beselack, President
Paragon Mines
Ophir, Colorado

Re: DMEA 2723 (Lead-Zinc)
Paragon Mines, San Miguel
County, Colorado

Dear Mr. Beselack:

On May 18, 1953, we advised you that effective April 15, 1953, funds for certain specified metals had been denied and since your application related to lead and zinc it was accordingly denied.

We are pleased to inform you that since your application was received prior to May 15, 1953, we are now authorized to process it if you are still interested in exploration assistance.

We are as of this date placing your application in our active files for processing.

Yours very truly,

W. H. KING

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

HHC:ld

mb
chron
Koschmann
Mittendorf
Traver

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

224 New Customhouse
Denver 2, Colorado

May 18, 1953

Mr. Otto Beselack
Paragon Mines, Incorporated
Ophir, Colorado

Re: Docket DMEA 2723
(Lead-Zinc)

Dear Mr. Beselack:

This is to inform you that, effective, April 15, 1953, the commitment of funds allocated to the Defense Minerals Exploration Administration for exploration assistance under the Defense Production Act was restricted to certain specified metals and minerals still in short supply. Lead and Zinc were not specified and consequently were automatically removed the list of metals or minerals eligible for exploration assistance.

We regret to advise you that, since your application relates to lead and zinc and was pending on the date of the restrictive order, we are without authority or funds to enter into a contract for exploration and your application is accordingly denied. This action is taken without prejudice to the merits of the proposed project.

The staff of the Defense Minerals Exploration Administration wishes to express its appreciation for your interest in the exploration program and for your cooperation during the period your application has been under consideration.

Sincerely yours,

W. H. King
W. H. King
Field Team, Region IV

Ogden Tevetz
for A. H. Koschmann
Field Team, Region IV

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAY 22 1953

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

224 New Customhouse
Denver 2, Colorado

April 13, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
INCOMING
APR 16 1953

Mr. Otto Baselack
Paragon Mines, Inc.
Ophir, Colorado

Re: DMEA Docket 2723

Dear Mr. Baselack:

We have received no reply to our letter of March 3 requesting a claim map of your property showing the proposed work with relation to your property boundaries.

If we have not received the map within 30 days, we will presume that you are no longer interested in this exploration work and will place your application in the inactive file.

Very truly yours,

W. H. King

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

HMC:fwo

cc COMittendorf, Admn, DMEA
WMTraver, Jr.
Subject
Chron
Koschmann
Shaw

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

224 New Customhouse
Denver 2, Colorado

December 15, 1952

Memorandum

To: Administrator, Defense Minerals Exploration Administration

From: Field Team, Region IV

Subject: Final Report, DMEA Docket 2723 (Lead-Zinc-Copper) Paragon Mines, Inc., San Bernardo Mines, San Miguel County, Colorado

The application for Government assistance in exploration work estimated to cost $10,375.00 has been approved by us and a contract is being prepared.

Government participation will be 50 percent, or $5,187.50.

A copy of the Final Report will be forwarded with your copy of the contract.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 18 1952

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

New Customhouse
Denver 2, Colorado

December 15, 1952

Memorandum

To: Administrator, Defense Minerals Exploration Administration

From: Field Team, Region IV

Subject: Final Report, DMEA Docket 2723 (Lead-Zinc-Copper) Paragon Mines, Inc., San Bernardo Mines, San Miguel County, Colorado

The application for Government assistance in exploration work estimated to cost $10,375.00 has been approved by us and a contract is being prepared.

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W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 18 1952

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1952

224 New Customhouse
Denver 2, Colorado

September 26, 1952

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: Code 210

From: Executive Officer, Field Team, Region IV

Subject: Docketing for Exploration Assistance

Enclosed herewith in duplicate is DMA Form 3a and Form MF-103 in triplicate and supporting data pertaining to the following applications for Government assistance in exploration work:

Paragon Mines, Inc. — Dmea-2723
Ophir, Colorado

W. R. Cochran & Ira A. Cole
Sugar Loaf Route
Boulder, Colorado

W. H. King
W. H. King

Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. Dmea - 2723
Metal or Mineral
Date Received 9-29-52
Estimated Cost
Participation (Government %)

COPY

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

Paragon Mines, Inc.
Ophir, Colorado

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project* (a) State the mineral or minerals for which wish to explore .....

.....

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within ..... days and be completed within ..... months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

[X] Money [X] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated 25th September, 1952

Paragon Mines, Inc.
(Applicant)

By /s/ Otto Beselack,
President &Manager

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—66551-1

PARAGON MINES, INC.

Ophir, Colorado.

Question 1 - c San Bernardo Mine

Otto Beselack, President and Manager
Ophir, Colorado

R. V. Adler, Vice President
P. O. Box 278,
Montrose, Colorado

Dr. N. A. Brethower, Treasurer,
700 Main St.,
Montrose, Colorado

F. M. Beselack, Secretary,
Ophir, Colorado

(d) Not applicable

Question 3 - (a) (b) San Bernardo Mine

Patented Claims: Mosquito, Sur. No. 2456, San Bernardo, Sur. No. 2457 A, Honduras Sur. No. 796, Thomas, Sur. No. 9605, San Piedro, Sur. No. 9605, San Bernardo Millsite, Sur. No. 2457 B, and Lake Placer, Sur. No. 7301.

Unpatented Claims: Three Sisters, Garibaldi No. 2, Von Glen, Starling, Sonora, Lady May, Three Sisters extensions No. 1 - 2 - 3 - 4 - 5 a and 6, Valley View Millsite and Tailings millsite, all duly recorded on the public records in the office of the County Clerk of San Miguel county, Colorado.

(c) Owner.

(d) Not applicable

(e) Mortgage Note held by Carl J. Sigfrid

Mortgage Note held by Clifford B. Jones.

Parties will subordinate their interests in property to interest of the Government under exploration contract.

(f) Described in A and B.

PARAGON MINES, INC.

Ophir, Colorado.

Question No. 4. (a) (b) (c) Exploration in past operations have developed and produced a sizeable tonnage of good grade ore and a considerable tonnage is still in its virgin state. It is definitely known to extend upwards and downwards from present tunnels and wastward along the strike of the vein. The ore deposit occurs in a fissure vein. The apex of the vein in its westerly course is covered by claims 1200 feet wide and 7500 feet long. The past operations have been confined to the Honduras, San Bernardo and Mosquito claims.

See Claim and Stope maps attached.

(d) The property has the best situation ofany in the district for economical mining and milling as it has the natural advantages of State highway water rights with plenty ofwater, timber and ease of entrance and exit, a modern mill with electric powerto handle the ore and an aerial tramway connecting mine and mill.

(e) Available to do the proposed exploration.

PARAGON MINES, INC.

Ophir, Colorado.

Question No. 5. (a) Lead, Zinc and copper.

(b) Sink winze 150 feet in tunnel No. 5 and drift on vein 200 feet . A stope map showing the workings attached hereto.

(c) Start in 30 days and complete in six months.

(d) Persons to supervise have better thsn 30 years mining experience.

Question No. 6. (a) [illegible] to be [illegible] and the total cost will approximate [illegible].

(b) Two miners, one trammer, one compressor man and one foreman. Contract price will average [illegible] approximately per foot, [illegible]

(c) [illegible] tower, lines and other approximately

Drill steel and bits	[illegible]
Electric power	[illegible]
Total	[illegible]

Total [illegible] [illegible]

Time wages, bits and timber	[illegible] per ft.
Total [illegible]	[illegible]

(d) All owned and furnished by our company:

Imperial type 12 Ingersoll Rand air compressor on concrete, 75 h.p. electric motor with belt and starting compensator [illegible]

[illegible],000 feet 8" and 1 1/4" water line for compressor [illegible]

1 Ingersoll Rand drilling machine [illegible]
1 Universal Trammer [illegible]
1 Mine hoisting machine [illegible]
[illegible],000 feet of [illegible] compressed air line [illegible]
1 - [illegible] 75" air receiver [illegible]
1 - 75" two cable line equipment [illegible], 1,000 feet long and [illegible] full cable and 12 [illegible] electric motor and starting switch and hoist [illegible]
7 - 1 ton rolling dump cars [illegible]

[illegible]

PARAGON MINES, INC.

Ophir, Colorado

Question No. 6. (a) Proposed work to be done by contract and the total cost will approximate $25,000.00.

(b) Two miners, one tramman, one compressor man and one foreman. Contract price will average $45.50 approximately per foot. 350 feet $15.490.00

(c)

~~XXX~~ Powder, fuse and caps approximately	$2.80	per ft.
Drill steel and bits	1.08	" "
Electric Power	1.70	" "
Total	5.58	" "

Total 350 feet $1,953.00

Mine track, ties and timber	5.75	per ft

Total 350 feet 2,012.50

$ 3,965.50

(d) All owned and furnished by our company:

Imperial Type 10 Ingersoll Rand air compressor om concrete, 75 H/P electric motor with base and starting compensator and V belts	$5,600.00
2,000 feet 3" and 1 1/2" water line for compressor	650.00
2 Ingersoll Rand drifting machine	1,000.00
1 Universal Trammaire	1,825.00
1 Eimco mucking machine	1,330.00
2,200 feet 3" and 2" compressed air line	800.00
1 - 42" X 72" air receiver	300.00
1 - 7/8" two cable mine supply tramway, 1,000 feet long and 3/8" pull cable and 15 H/P electric motor and starting switch and hoist ~~compensator~~	2,900.00
7 - 1 ton roller bearing ore cars	900.00
	$15,305.00

(e) None

PARAGON MINES, INC.

Ophir, Colorado

Question No. 6.	(f)	None.	
	(g)	Workmen's Compensation	$ 469.38
	(h)	Unforeseen contingencies 20 per cent	4,074.97

[illegible] Inc.

[illegible], Colorado.

Question No. 7. (a) Yes.

(b) In part by their vested allowances on our equipment, stated in Question No. 6 (d) and balance in cash in accordance with regulations of Government participation.

PARAGON MINES, INC.

Ophir, Colorado.

Question No. 7. (a) Yes.

(b) In part by fair rental allowances on our equipment, stated in Question No. 6 (a) and balance in cash in accordance with regulations on Government participation.

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

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300
(PMGC)

KNOXVILLE
SEP 25
5 PM
1952
TENN.

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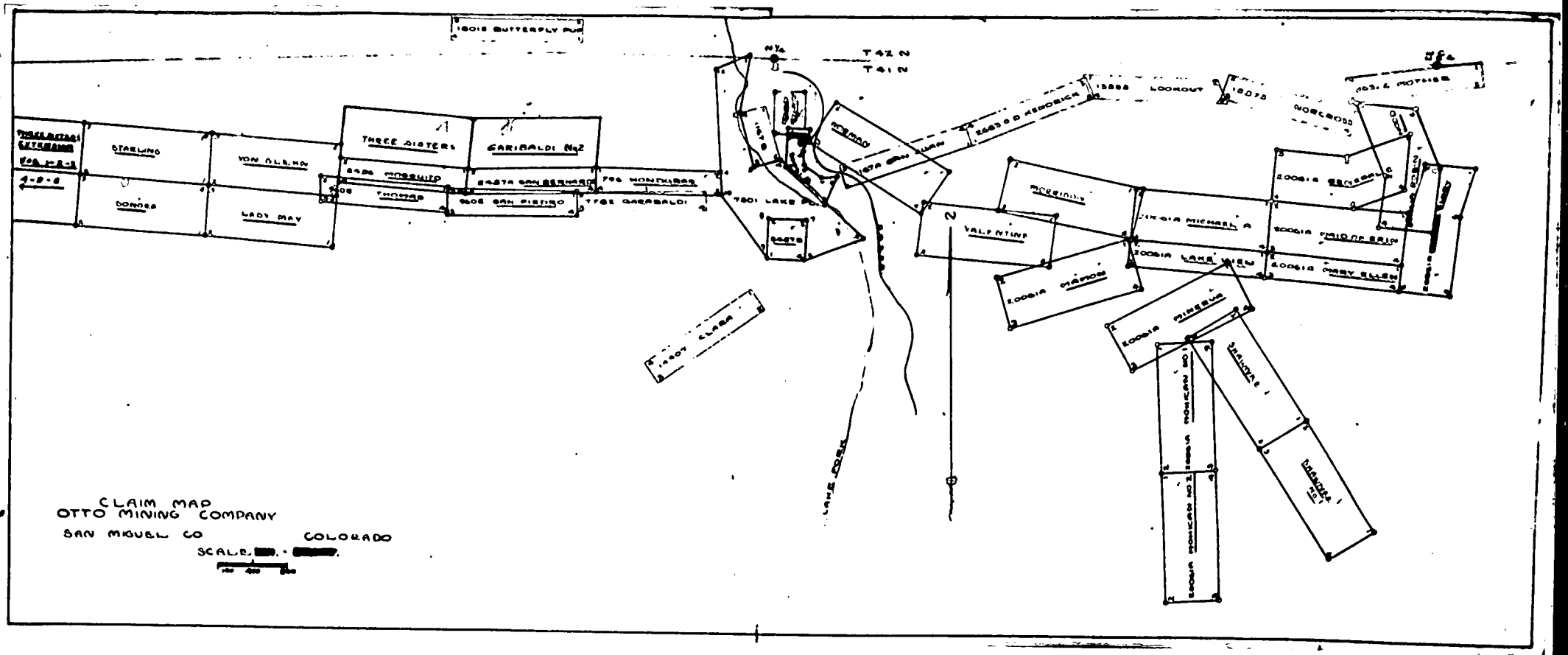
Frank. B. [illegible]
[illegible]
[illegible]
Washington 25, D. C.


STERLING
VON ALBAN
DONNER
LADY MAY
THREE SISTERS
GARIBALDI No2
MOSQUITO
THOMAS
EASTA SAN BERNARD
SAN PIERINO
MONTHABRA
GARIBALDI
LAKE
VALENTINE
MORNINGLY
ZOOSIA MICHAEL A
ZOOSIA LAKE VIEW
ZOOSIA MARMOR
ZOOSIA MINERVA
ZOOSIA MARY ELLEN
ZOOSIA MONICAN NO 1
ZOOSIA MONICAN NO 2
LOOKOUT
KENDRICK
ROSEBOSS
T42N
T41N
LAKE FORK
CLAIM MAP
OTTO MINING COMPANY
SAN MIGUEL CO COLORADO
SCALE:

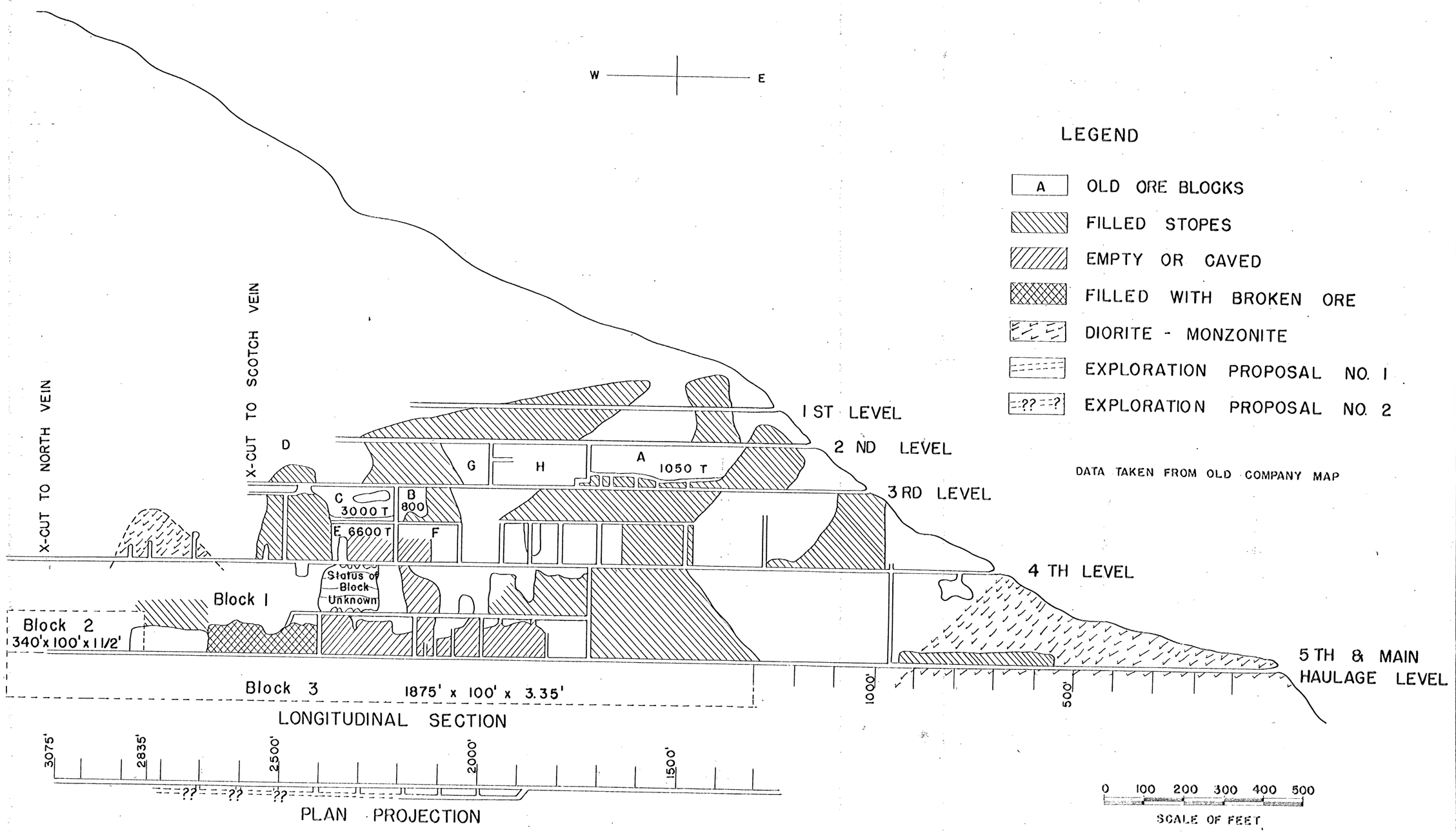


FIG. 2 PROPOSED EXPLORATION FOR PARAGON MINES, INC., SAN BERNARDO MINE DMA - 542