UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.
GEOLOGICAL SURVEY

OCT 2 5 1962

San Juan Mining & Developing Co.
450 S. Lashley Lane
Boulder, Colorado 80302

Re: OME-4405 (Silver-Gold)
San Juan Mining & Developing Co.
San Juan Mine
San Miguel County, Colorado

Gentlemen:

Careful study of your application for financial assistance in exploring the subject property and of other information available to us indicates that the width of the vein is small and its metal values are low with little possibility of these factors improving in the areas of the proposed work. The probability of disclosing significant silver ore reserves on the property, therefore, is not sufficiently promising to justify Government participation in the proposed exploration. Accordingly, we regret to inform you that your application for exploration assistance is denied.

Sincerely yours,

(signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Fiburphy/um (10/20/65)
cc: Director's Reading File
Division File
Economic Geology File
Mr. Selfridge
OME File
OME Reading File
Region III
120M

October 14, 1965

Memorandum

To: Chief, OME

From: Field Officer, Region III

Subject: OME-6405 (Silver-Gold)
San Juan Mining & Development Co.
San Juan Mine
San Miguel County, Colorado
Report of Examination

Attached are the original and one copy of the Report of Examination on the subject property by R. L. Bolmer, Mining Engineer, U. S. Bureau of Mines.

The Field examiner recommends that the application be denied. I concur in his recommendation. There is little geologic probability of a significant discovery being made and the estimated cost of the exploration is too high in relation to the size and grade of the potential deposit.

ORIGINAL SIGNED BY

Hugh M. Connors

HMC 10-14-65

cc: Chief, OME
6405
chron
Salsbury

AREA V

Mineral Resources Office October 13, 1965

Memorandum

To: Chief, Office of Minerals Exploration
Geological Survey, Washington

From: R. L. Bolner, Mining Engineer
Area V Mineral Resources Office
Bureau of Mines, Denver

Subject: Field examination for OMX-6405 (Silver-Gold), San Juan Mining & Development Co., San Juan mine, San Miguel County, Colo.

The San Juan mine was examined July 28, 1965 in response to the subject application for financial assistance in mineral exploration. The applicant proposes to rehabilitate 200 feet of the lowest adit level of the mine, extend that level 350 feet along the San Juan vein, and raise on the vein an aggregate of 180 feet from the level extension. Such work, estimated to cost $19,815.70, would test the vein 85 feet below an ore shoot developed and mined on the next higher level. An alternate proposal of beginning a new adit drift on the vein, about 200 feet below the lowest existing level, also was discussed in the transmittal letter accompanying the application. In this case, 700 to 800 feet of drifting, costing an estimated $36,000, would be required to reach the same objective at the lower depth. The examination was made with Mr. Charles H. Turner, president and manager of the applicant corporation.

Location, ownership, and extent of property

The applicant is the sole owner of two patented lode mining claims (San Juan-No. 1167A and S. B. Kendrick-No. 2683) in secs. 4 and 5, T 1 N, R 41 W, NMPM, Trout Lake Mining District, San Miguel County, Colo. Also owned but not included in the application is the San Juan Millsite-No. 1167B lying some 600 feet farther west on the San Miguel River. The two 300- by 1500-ft. claims extend end-to-end up the steep eastern slope of the San Miguel River canyon. Surface elevations range from about 9,600 to 11,000 feet. State Highway 145, a paved all-weather road through the canyon, crosses the western edge of the property near the community of Matterhorn. Matterhorn is a former station on the abandoned narrow-gage Rio Grande Southern Railroad, about 1-1/2 miles south of the Ophir Loop.

A short access road extends from the highway to the portal of the lower adit on the San Juan claim. Only a steep and presently impassible road continues beyond this point to the upper adit levels.

The claims cover the outcrop of what apparently is a continuous, northeasterly-trending vein or vein system. A number of short adits and shallow surface cuts have been opened at rather close intervals along this outcrop. Most of the claim area is covered with a heavy growth of timber, and exposures of the vein structure and the country rock are few.

Description of deposit

The existing development and stoping of the vein within the limits of the San Juan claim are shown on the applicant's Map A. Six adits aggregating some 1,600 feet in length have been driven on the vein at vertical intervals ranging from 40 to 100 feet. The small amount of stoping indicated along these levels evidently was performed by early-day operators, and production records are not available. Most of the old workings are now caved, and only the lowest adit level was accessible on the date of examination.

The original operators drove the lowest adit level on a parallel structure -- not the same vein as developed and stoped on the upper levels. This original drift is now caved and inaccessible. The No. 2 drift on the lowest adit level, which apparently is on the same vein as the upper levels, was driven by a recent lessee of the applicant and is yet accessible. Check samples of the vein exposed in this drift were taken during the examination at two of the locations for which assays are reported by the applicant. Assay results are shown below. Both of the applicant's samples indicate high silver values, but neither check sample confirmed this.

Sample No.	Map location	Sample width	Oz./ton Au	Oz./ton Ag	Percent Cu	Percent Pb	Percent Zn
RLB-505	A-7	18 inches	<0.01	3.68	0.5	0.3	0.2
RLB-506	A-2	15 inches	<0.01	3.42	1.15	6.2	0.55

Conclusions

The vein is quite narrow, ranging from an average width of only 1 foot on the next-to-lowest level to about 2 feet on the lowest level. Even with the applicant's higher assay results, the average metal value of the vein, at current prices, is only $33 a ton on the upper level and $21

a ton on the lower level. Normal mining dilution would reduce the average value in both cases to about $15 a ton mined. Some type of beneficiation would be required before this grade of material could be marketed. There are no milling facilities at the property, and custom milling charges in the district are high. Such ore, even at this favorable location, must be considered only marginal, at best, under present economic conditions.

There is no reason to believe that the grade and width of the vein will improve along the proposed extension of the lowest adit level. Such work would test the vein only 85 feet below old development and stoping, and therefore cannot be classified as exploration by usual OME criteria.

The proposed new adit level some 200 feet lower on the vein could possibly be considered exploration. However, there is no reason to expect any improvement in grade or width at this horizon. Such an adit might be started in the metamorphosed Cretaceous sediments bordering the diorite-monzonite stock of the present workings. Veins of the district are known to continue into this sedimentary series, but generally are no better than they were in the intrusive rocks, if as good.

Present information indicates that the vein developed and mined to a small extent in the San Juan mine is quite narrow and for the most part contains only low- to marginal-grade ore. There is no evidence that the proposed exploration of the vein at greater depth would reveal anything better and, hence, would result in a significant discovery. Government participation in the costs of such exploration therefore is not considered justified.

R. L. Bolmer

R. L. Bolmer

cc: OME, WO
Docket 6404
OME chron. ✓
R. L. Bolmer, BM
M. N. Salisbury, BM

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

Memorandum

JAN 27 1965

To: Acting Field Officer, Region III

From: Chief, Division of Exploration Operations

Subject: OME-6405 (Silver-Gold)
San Juan Mining & Developing Co.
San Juan Mine
San Miguel County, Colorado

The subject application is referred to Region III for review, a field examination if deemed advisable, and recommendations.

Note error

The work proposed in the application cannot be considered exploration as the work is only about ~~50~~ (85') feet below the B Tunnel which extends east nearly the same distance as the proposed A Tunnel work. The alternate proposal of driving an adit 200 feet below the A Tunnel possibly could be considered exploration*since primarily it would not be for the purpose of mining or preparation for mining.

what other purpose?

Good without any dilution, new method would require milling plus

In mining narrow veins having a low average grade of ore such as is indicated to occur in the San Juan vein, dilution becomes a problem, with the material broken often being submarginal in value unless it can be milled.

The Applicant's "Table 1" of probable and possible ore shows the average width of B block as 1 foot, C block as 1.52 feet, and for A block as 2.14 feet. Undoubtedly, there would be considerable dilution in mining these blocks; and it is doubtful that enough tonnage of ore could be developed to warrant the cost of installing a mill on the property. In addition to these factors, the assay data for A Tunnel seem to indicate a drop in silver, gold, and copper values with a possible increase in lead values at depth. In view of the above, there seems some doubt that the mine warrants the cost of the work which would be required in the Applicant's alternate proposal.

George C. Selfridge.

* if it were in a new, possibly more favorable rock formation

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

JAN 27 1965

San Juan Mining & Developing Co.
480 S. Lashley Lane
Boulder, Colorado 80302

Re: CMK-6405 (Silver-Gold)
San Juan Mining & Developing Co.
San Juan Mine
San Miguel County, Colorado

Gentlemen:

The application for assistance in exploring the subject property has been reviewed by the Division of Exploration Operations of the Office of Minerals Exploration and referred to Mr. H. M. Connors, Acting Field Officer, Office of Minerals Exploration, Region III, Building 20, Federal Center, Denver, Colorado 80225.

The Regional Office will notify you in case any additional information concerning the application is needed.

Sincerely yours,

George Fumich, Jr.

Acting Director

MMerrithew/mm (1/25/65)
cc: Director's Reading File
✓Region III
Docket

January 18, 1965

Mr. Charles H. Turner, President
San Juan Mining & Developing Co.
480 S. Lashley Lane
Boulder, Colorado 80302

Subject: OME - 6405

Dear Mr. Turner:

Your application for exploration assistance, dated October 30, 1964 submitted to our office at Denver, Colorado has been assigned Docket Number OME - 6405.

Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Chief, Division of Exploration Operations

Copy to Region III

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Bldg. 20, Denver Federal Center
Denver, Colo. 80225

January 15, 1965

Memorandum

To: George C. Selfridge, Chief
Division of Exploration Operations
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: Application for OME Aid (Gold and Silver)
San Juan Mining and Developing Co.
San Juan Mine
San Miguel County, Colorado

Attached is the subject application in the amount of $19,815.70.

One copy of the application is being retained in our file.

Hugh M. Connors

cc: File
Chron

SAN JUAN MINING & DEVELOPING CO.

INCORPORATED 1949

480 S. Lashley Lane
Boulder, Colorado
80302

CHAS. H. TURNER
MINING ENGINEER
MANAGING DIRECTOR

MINE MANAGEMENT
PROPERTIES EXAMINED.
OPTIONED AND DEVELOPED

January 14, 1965

U. S. Dep't of the Interior
Office of Minerals Exploration
Federal Center
Denver, Colorado

Gentlemen:

We enclose herewith two sets each of an Application for Financial Assistance in Minerals Exploration and other items pertaining thereto.

The program proposed in this application would, if successful, open up a moderate amount of ore at reasonable cost. However, an alternative proposal would be to explore the possible downward extension of the orebody by driving a new heading from a point near the base of the mountain, approximately 200 feet below "A" Level. The new portal would be no more than 250 feet distant from the paved State highway, and would greatly facilitate the operation and reduce the costs accordingly.

The anticipated result of this work would be to open up a calculated 40,000 tons, assuming that the increasing width, as shown on Map A, continues to at least 3 feet, and the length compares with the indicated length above "A" Level. If the grade is consistent to this depth, the gross would be in excess of $1,000,000.00, at present metal prices.

not more than $840,000.

Both the Silver Bell and Butterfly, which adjoin the San Juan on the east and north respectively, carried on production from horizons several hundred feet below the level of the San Juan "A" Level.

Anticipated cost of this program is approximately $36,000.00, based on 700 to 800 feet of drift to reach the expected downward extension of the orezone and open it up for a reasonable distance. Estimated average cost of the work is $45.00 per foot advance.

Since practically all of the work can be done on the vein, it is possible that the ore will be reached in a much shorter distance than anticipated.

Should this proposal be more acceptable than the one described in the application, we will be glad to prepare a revised application on that basis.

Very truly yours,

SAN JUAN M. & D. CO.

Chas H Turner

Charles H. Turner

encls.

SAN JUAN MINING & DEVELOPING CO.
480 S. Lashley Lane
Boulder, Colorado 80302

MATERIAL ENCLOSED IN PACKAGE

1. Application for Financial Assistance in Minerals Exploration, together with additional information as required.

2. Engineering report by Clifford R. Wilfley.

3. Correspondence with First National Bank, Boulder, Colorado.

4. Correspondence with Arapahoe National Bank, Boulder, Colorado.

5. Table 1, Tonnages and values.

6. Map A, Underground workings.

7. Map B, Property map.

8. Map C, Regional geology.

MME Form 40
July 1962

Budget Bureau No. 42-R1368
Approval expires Dec. 31, 1963

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85-701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

San Juan Mining & Developing Co.
480 S. Lashley Lane
Boulder, Colorado 80302

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: OME - 6405

DATE RECEIVED: Jan 15, 1965

REGION:

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL [ ]
- CORPORATION [x]
- PARTNERSHIP [ ]
- OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED: Colorado

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Charles H. Turner,	480 S. Lashley Lane, Boulder, Colo.	President
Philip F. Icke,	Ouray, Colorado	V.-President
Everett H. Dyas,	305 E. Magnolia, Fort Collins, Colo.	Secretary

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Silver and gold

ESTIMATED COST OF PROJECT: $19,815.70

PROPERTY NAME	LOCATION COUNTY	STATE
San Juan Mine	San Miguel	Colorado

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior, Washington 25, D. C., or with the nearest OME Field Office.*

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, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

October 30, 1964
DATED

Charles H. Turner
BY *(Signature)*

President
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C.11879

San Juan Mining & Developing Co.
480 S. Lashley Lane
Boulder, Colorado 80302

1. Financial Eligibility:

(a) Two copies of correspondence with Arapahoe National Bank and First National Bank, both Boulder, Colorado.

(b) Not applicable.

(c) Applicant's share of cost will be advanced by Charles H. Turner, President.

2. Applicant's Rights in Land:

(a) Owner. No liens, mortgages or other encumbrances.

(b) San Juan Lode, Survey No.1167A and S. B. Kenrick Lode, Survey No.2683, Sections 4 and 5, Township 41 North, Range 9 West, Trout Lake Mining District, San Miguel County, Colorado. Also owned - San Juan Millsite, Survey No.1167B. This should be exempt from Government royalty and liens.

(c) Not applicable.

3. Physical Description:

(a) See Map A, Underground Workings.
Six adits have been driven on what appears to be the same vein, for a total of approximately 1600 feet advance. Caving has occurred in most of the levels and they are inaccessible. "F" Level has been stoped for a length of 125 feet and a maximum height of 50 feet. "B" Level has been stoped for a length of approximately 200 feet and an average height of 50 feet. The vein is exposed at the east breast of the stope, and in the drift back to the east of the stope. This exposure was channel sampled and the results are shown on Map A.
"A" Level No.2 Drift was channel sampled and returned values as shown on Map A. Due to the change from massive sulfide mineralization in "B" Level to sparse lead-silver in "A" Level it is believed that an intersection may occur to the east of the present breast of "A" Level. "A" Level is equipped with track to the breast of No.2 Drift (in red). "A" Level is serviced by a good access road from Highway 145, a distance of approximately 700 feet. There is also an electric power line to this portal.

(b) Former production was by the original owner prior to 1912. "A" Level No.2 Drift was driven by a lessee under direction of the applicant.

(c) Production data is not available. No production by the applicant.

(d) See Map A and attached Table 1. This work was done by lessee and assay certificates are not available.

3. Physical Description: (cont'd.)

(e) The San Juan vein, as exposed in "B" Level, (Map A), is a strong fissure trending east-west and dipping steeply to the south. The walls are shattered and faulting appears to have occurred. The vein matter is quartz with pyrite, galena, chalcopyrite, gray copper, sphalerite, and abundant manganese stain on weathered surfaces. Some gouge is also noted.

A large representative sample from the dumps at "B" and "C" Levels was sent to Colorado School of Mines for analysis. The report stated that the sample contained galena and chalcopyrite in a barite-siderite gangue, and values in silver, lead, gold, copper and zinc were noted. (This report is not available).

In the immediate area sandstones, conglomerates and tuffs are intruded by diorite-monzonite. (Map C, Geologic Structure).

(f) See Map A for sample locations and assays. It is expected that the ore which was stoped, and the ore which is presently exposed on "B" Level, will extend downward thru "A" Level. All sampling was done by channel. The sampling was done by lessee and assay certificates are not available.

(g) Report enclosed:

By Clifford R. Wilfley - S.B.Kenrick claim only. This is a preliminary reconnaissance examination of the claim.

Maps enclosed:

Map A - underground workings, sample locations and assays; also shows proposed work.

Map B - San Juan M. & D. Co. property in relation to other mines in the area.

Map C - general geology in the mine area.

4. Accessibility of Property:

(a) Charles H. Turner, 480 S. Lashley Lane, Boulder, Colorado, will meet the OME representative at the property, or at any other designated point in the area.

The property is located at Matterhorn, Colorado, on the east side of Highway 145, directly across from the San Bernardo Mine (Silver Hat Mining Co.), and about 1½ miles south of Ophir. Dumps are plainly visible from the highway. A good access road runs from the highway to portal "A" Level.

(b) Shipping and supply point - Telluride, 14 miles north.

5. EXPLORATION WORK:

(a) Rehabilitate "A" Level No.2 Drift, approximately 200'. Install equipment, etc.
Advance "A" Level No.2 Drift 350', 5x7' cross section. Drive three exploratory raises at 100' intervals from start of the drifting, each raise to 60', or a total of 180' of raising. (See Map A - No.2 Drift shown in red; proposed work shown in broken blue line).

(b) Not applicable.

(c) Work will be started by May 15, 1965. Anticipated completion time - 5 months after start of work. Estimated time to rehabilitate No.2 Drift is 4 weeks. Anticipated rate of advance is 5' per day.

6. Experience:

Charles H. Turner, who will direct and supervise the work, has been engaged in mining as a miner, mining engineer and operator since 1934. Experience includes 3 years as a practical miner and 4 years as an engineer in the Porcupine Camp, Northern Ontario; 4 years as Chief Mine Engineer at La Luz Mines, Nicaragua; 6 years consulting practice in Northwest Quebec; 13 years consulting and management in Central America and Western States. The latter included management of the Cold Spring Tungsten operation at Nederland, Colorado, and superintendent of Rico Argentine's Mountain Springs operation at Rico, Colorado.

7. Estimate of Costs:

SEE PAGE 4.

San Juan Mining & Developing Co.
480 S. Lashley Lane
Boulder, Colorado

7. Estimate of Costs:

(a) None.

(b) Personal Services.

Supervision - 5 months @ 600.00	3,000.00	
Engineering - 5 months @ 200.00	1,000.00	
Labor - 3 men x 100 shifts @ 20.00	6,000.00	
		10,000.00

(c) Operating Materials and Supplies.

20# rail - 2½ tons @ 160.00	400.00	
1" pipe - 750' @ 30¢	225.00	
2" pipe - 750' @ 70¢	525.00	
Diesel fuel - 1000 gal. @ 23¢	230.00	
Copco steel - 30 pc. @ 18.00	540.00	
3 tons dynamite @ 545.00	1,635.00	
2000 caps @ 3.15/100	63.00	
7 reels fuse @ 37.35	261.45	
Small tools	350.00	
		4,229.45

Inventory apparently not considered

(d) Operating Equipment.

325 cfm diesel compressor - 5 months rental @ 235.00	1,175.00	
Mucker - 5 months rental @ 185.00	925.00	
1 Copco jackleg and machine - 5 months rental @ 100.00	500.00	
1 stoper - 3 months rental @ 80.00	240.00	
1 pick-up - 5 months rental @ 60.00	300.00	
2 used 1-ton cars - purchase @ 125.00	250.00	
1 used tugger hoist - purchase @	150.00	
1 used air pump - purchase @	125.00	
1 4x8 receiver - by applicant		
		3,665.00

(e) Initial Rehabilitation and Repairs.
None.

(f) New Buildings, Fixtures, Installations.

1 12x15 frame building -	800.00	
		800.00

(g) Miscellaneous.

(1)

Equipment	Repair & Maint.	Est.Cost
Compressor	Servicing	150.00
Mucker	Servicing	30.00
Mine Cars	Servicing	20.00
Jackleg/drill	Worn parts	110.00
Stoper	Worn parts	75.00
Pick-up	Servicing	175.00
Tugger	Servicing	25.00
		585.00

(2)

Accounting - 5 months @ 30.00	150.00	
Workmen's Comp. - 3.00/man/mo.	60.00	
Payroll taxes - 3-5/8% of wages	326.25	
		536.25
		19,815.70

San Juan M. & D. Co.
480 S. Lashley Lane
Boulder, Colorado

FORD R. WILFLEY
MINING ENGINEER
2233 GRAPE STREET
DENVER 7, COLORADO

Ophir, Colorado
July 10, 1947

Dear Mr. Turner:

Enclosed is my report on your S. B. Kendrick. The kodak photos mentioned are several general views taken from down on the highway in the valley. There are no facilities here for developing these, so I will have them finsihed when I return to Denver the end of this week, and send them on to you.

Not far below your No. 1 tunnel is a tunnel apparently going in on the S.B.K. vein, driving under your No.1. It looked like this is across the endline, starting on the San Juan. Dump indicates maybe 300 feet of drifting, hence it would be nearly all in your ground.

As a matter of fact, the San Juan is developed by a series of tunnels going right on down the hill, and these nearly all show good ore on the dumps. Sulfides appear to become more abundant as you go down the hill. In short, it looks like the two claims cover an ore deposit of considerable length, and the dividing line is in the middle of the deposit.

Yours very truly,

C R Wilfley

CLIFFORD R. WHIPPLEY
MINING ENGINEER
2233 GRAPE STREET
DENVER 7, COLORADO

Ophir, Colorado
June 10, 1947

Chas. H. Turner, M. E. ,
P. O. Box 265,
Bourlamaque, Quebec.

Dear Sir:

In conformity with the instructions in your letter of May 28, 1947 I made a reconnaissance examination of the S. B. Kenrick mine at Matterhorn, Colorado, on June 9, 1947.

Replying categorically to the instructions:

(a) Adits (See topographic map enclosed)

1...Adit at house Elevation 9,987
Completely caved at portal, and inaccessible.
Small hole above adit opens into open stope where air circulates, walls of stope stand well, but stope looks risky.
Volume of dump would indicate about 500 feet of 5x7-ft. drift, modified no doubt by muck from stoping.

2...At north sideline. Elevation 10,013
Open, in good condition, with track.
Runs N. 40*E. 60' thence N. 80*E. 60' to x, 80' to breast; from x, crosscut S. 50*E. 75'.
Tunnel follows a narrow gouge streak with occasional small amounts of mineral.

3...On middle (?) vein. Elevation 10,060
Caved at portal.
Volume of dump indicates about 300' of drift.
Not much ore on dump. Much manganese stain.

4...Probably S.B.Kenrick vein. Elevation 10,046
Caved at portal, very small hole at top.
Volume of dump indicates about 60' of drift.
Good sulfide ore on dump.
May connect with stope from lowest tunnel.

5...Very old, completely caved. Elevation 10,092
Altered rock, but little ore, on dump.
Volume of dump indicates about 250' of drift.

(b) Stoping

Series of slumped holes and one hole-thru to surface, where air circulates, are in line up the hill above No. 1 tunnel for a distance of about 150 feet. No indications how much farther the stoping extends, except possibly No. 4 tunnel as stated above.

(c) Internal sinking

In the only accessible tunnel, No. 2, there was no internal sinking.

(d) Veins

S. B. Kenrick vein as exposed at the hole-thru is a strong fissure, vein 4 or 5 feet wide, striking N. 65° E., dipping 72° N. Some gouge, indicating relative wall movement. Vein matter quartz carrying pyrite, galena, chalcopyrite, occasional specks sphalerite, and a little gray copper. Abundant manganese, probably rhodochrosite, which weathers blue-black on large chunks on dump.

Crossing the S. B. Kenrick vein at the portal of No. 1 tunnel is a fissure striking S. 2°-75° E., dipping 78° N. Crossing is naturally shattered ground, accounting for extensive caving at portal. Several little prospect cuts show this fissure was investigated a little, but evidently yielded nothing.

Nos. 2 and 3 tunnels indicate there may be a set of fissures and not a single vein. Area should be studied further, and mapped.

(e) Dumps

No ore dumps.

The dumps on the S. B. Kenrick vein all have small pieces of good ore scattered around over their tops. It is possible that the main bodies of the dumps contain enough ore to make them interesting, but only extensive sampling would determine this. As all the work was on the vein, there may be whole vein matter in the dumps.

(f) Buildings

The log-and-frame house, 1½-story, shown on the patent survey map is standing; structure in sound condition; shingle roof about gone. The log house shown on map has caved in and is destroyed.

No other buildings, and no evidence of a "Kenrick" settlement.

(g) Accessibility

On enclosed topographic map I have indicated the old road which reaches your property. I did not traverse thenupper part of this road, but observed that the lower part, tho slumped on the inside, is all in dirt and loose rock, and could readily be made usable by bull dozing.

(h) Timber

No timber observed on the claim, nor close by. The claim covers a steep grassy slope with an irregularly outlined stand of small aspen, not suitable for timber. Good spruce timber is abundant all around, near by.

(j) Water and power

No water on the property. Possibly a spring near by supplied the men living in the house.

Nearest water is an ample amount in Lake Fork of San Miguel River (see map).

The mine would doubtless supply ample water for mining purposes. The lowest tunnel on the Sam Juan claim adjoining yours on the west, flows a big stream; it probably drains considerable from your mine.

High-tension current is always available, from the high-tension line of Western Colorado Power Company at the foot of the hill. This line is shown on the map.

(k) Topography

The topography is shown onthe enclosed U. S. Geological Survey topographic map. Photographs which I will send later will also show the general topography--just a steep hillside. At Tunnel 5 the hill slopes 35 degrees.

Remarks

Found and practically identified Cors. 1 and 2. Found a post and mound of stone which corresponds to either Cor. 5 or 6, couldn't determine which.

The hillside faces the sunny side, from which the snow leaves earlier than elsewhere.

The "San Bernardo" of your map is now "Matterhorn".

The San Bernardo mine is now being reopened by the principal owner, Otto Beselack, who lives at Matterhorn. There are a number of dwellings and buildings at Matterhorn, untenated.

Yours very truly,

C. R. Wilfley

C. R. Wilfley
Mining Engineer

San Juan M. & D. Co.
480 S. Lashley Lane
Boulder, Colorado

480 S. Lashley Lane
Boulder, Colorado
80302

October 21, 1964

First National Bank
1800 Broadway
Boulder, Colorado

Gentlemen:

This Company proposes to carry out a program of mineral exploration work on its mining property at Matterhorn, in the Telluride district of Colorado.

The program will include an estimated 400 feet of new tunnel designed to intersect the downward extension of an orebody which was mined by previous operators.

The anticipated cost of this work is $40.00 per foot of tunnel, or a total of $16,000.00.

We would appreciate hearing from you in regard to your interest in financing this project, together with your terms.

Thank you for an early reply.

Very truly yours,

SAN JUAN MINING & DEVELOPING CO.

Charles H. Turner, Manager

CHT/A

FIRST NATIONAL BANK
IN BOULDER

BOULDER, COLORADO

October 23, 1964

Mr. Charles H. Turner, Manager
San Juan Mining & Developing Co.
480 So. Lashley Lane
Boulder, Colorado

Dear Mr. Turner:

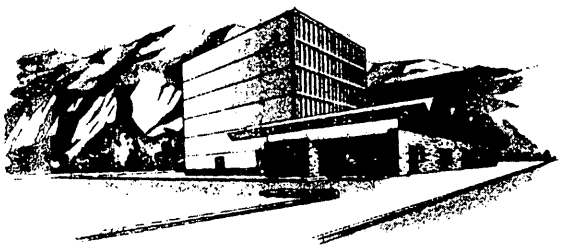
Thank you for your letter of October 21st regarding the proposed mine exploration work in the Telluride area.

At this time we would not be interested in this type of financing. We do, however, appreciate the opportunity you have given us to be of possible service to you.

Very truly yours,

T. G. Willoughby
Assistant Vice President

TGW:rc



San Juan M. & D. Co.
480 S. Lashley Lane
Boulder, Colorado

N JUAN MINING DEVELOPING CO.
INCORPORATED 1948

480 S. Lashley Lane
Boulder, Colorado
80302

AS. H. TURNER
MINING ENGINEER
MANAGING DIRECTOR

MINE MANAGEM
PROPERTIES EX
OPTIONED AND

October 27, 1964

Arapahoe National Bank
2480 Arapahoe Ave.
Boulder, Colorado

Gentlemen:

This Company proposes to carry out a program of mineral exploration work on its mining property at Matterhorn, in the Telluride area of Colorado.

The program will include an estimated 400 feet of new tunnel designed to intersect the downward extension of an orebody which was mined by previous operators.

The anticipated cost of this work is $40.00 per foot of tunnel, or a total cost of $16,000.00.

We would appreciate hearing from you in regard to your interest in financing this project, together with your terms.

Thank you for an early reply.

Very truly yours,

SAN JUAN MINING & DEVELOPING CO.

Chas H Turner

Charles H. Turner, Manager

CHT/t

MR. TURNER:—
SORRY — we would have
No interest in this type of loan.
Thanks for your inquiry.
H. Kingsbury
Pres.

San Juan M. & D. Co.
480 S. Lashley Lane
Boulder, Colorado

Table 1.

SAN JUAN M. & D. CO.

PROBABLE and POSSIBLE ORE above A Level

Block	Level	Where Exposed	Width	Tons	Grade	Gross Value
A	A	Along bottom of block	2.14'	2433	$ 19.04 20.96	46,324.32
B	B	Bottom and center; stoped above top	1.00'	4020	$ 31.37 33.41	126,107.40
C	A	Downward extension below B Lev. assumed	1.52'	4199	25.83	108,460.17
			av.1.46'	10652	av.26.36	280,891.89

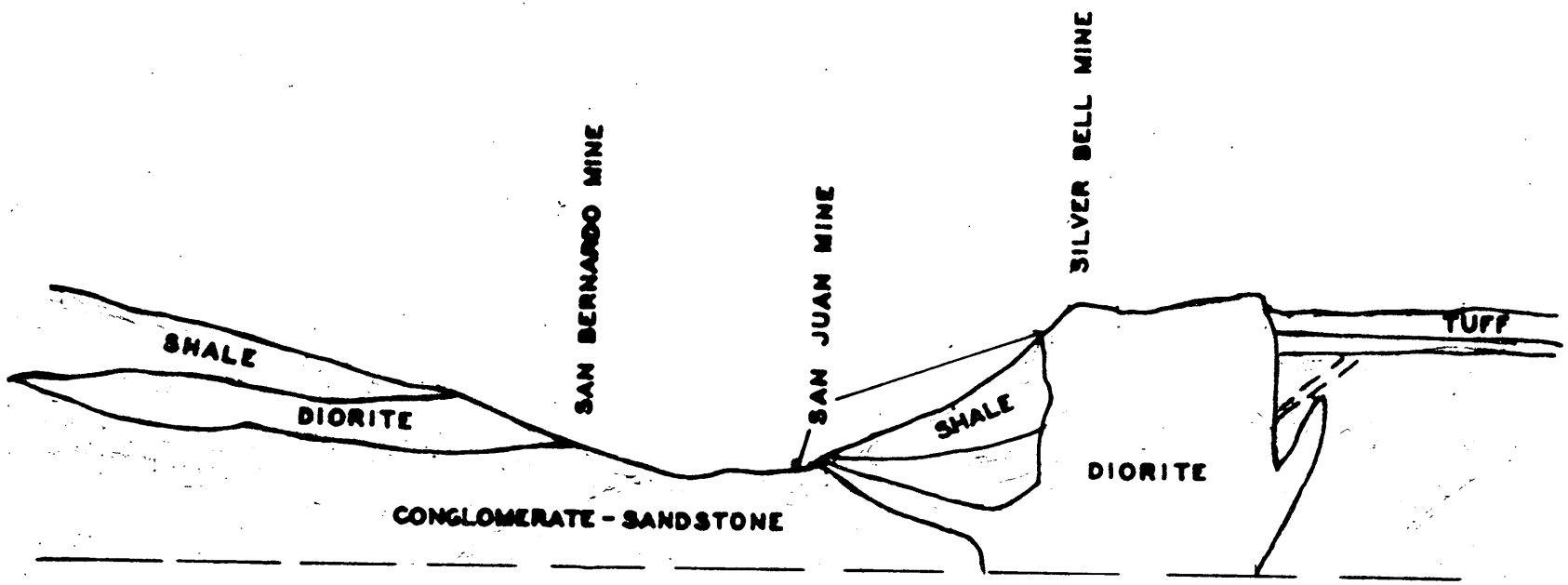
Metal Prices Used In These Calculations :

Gold	35.00 per ounce	
Silver	1.29 per ounce	
Copper	0.31 per pound	.36
Lead	0.12 per pound	.11

MAP "C"

San Juan M. & D. Co.
480 S. Lashley Lane
Boulder, Colorado

SECTION THRU MINE AREA
FACING NORTH



GEOLOGIC STRUCTURE IN THE SAN JUAN MINE AREA

1" = 2000' (approx.)

MAP "A"

San Juan M. & D. Co.
480 S. Lashley Lane
Boulder, Colorado

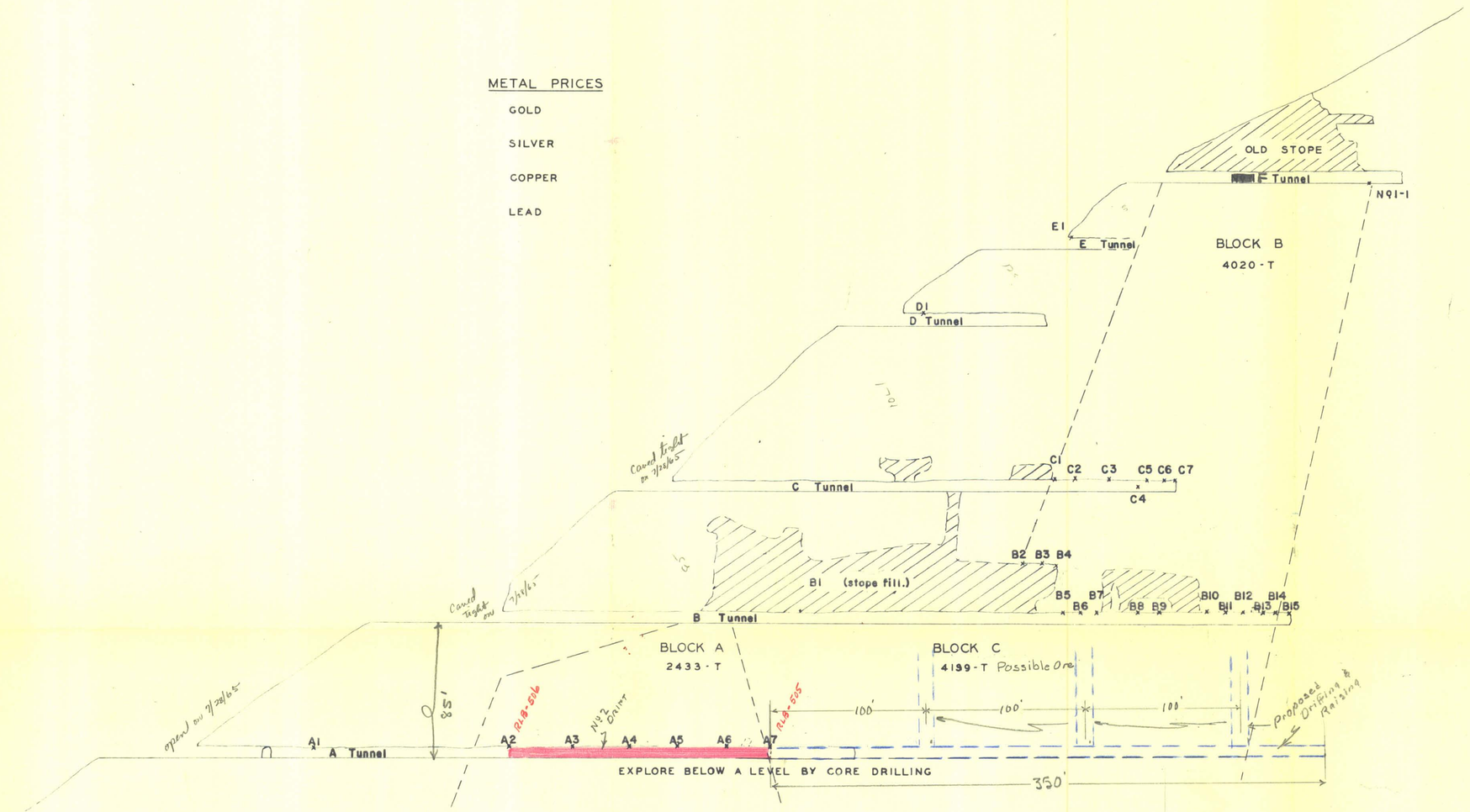
METAL PRICES

GOLD

SILVER

COPPER

LEAD

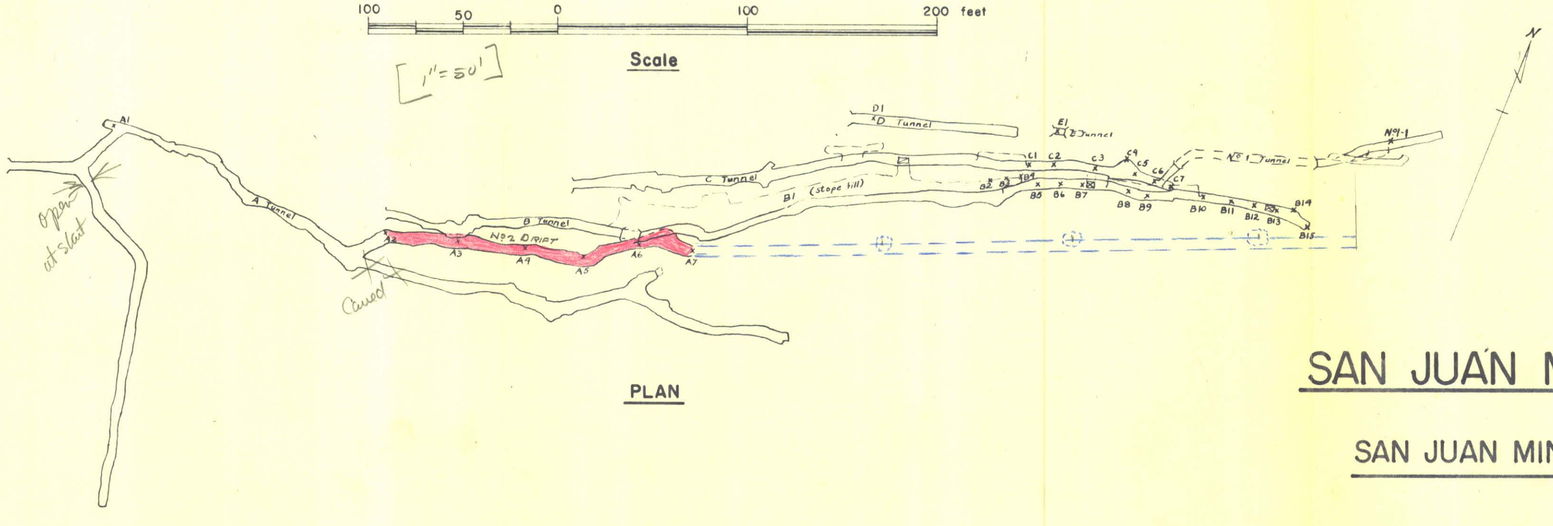


ELEVATION

100 50 0 100 200 feet

Scale

[1" = 50']



PLAN

ASSAYS

Sample No.	Au (oz./ton)	Ag (oz./ton)	Cu %	Pb %	Zn %	Width	
A1	0.01	3.60	1.00	2.40		1.0'	
A2	0.26	26.24	1.31	5.88		2.2'	
RLB-506	<0.01	0.32	1.15	0.22	0.55	1.8'	
A3	0.06	1.94	1.17	0.24		3.0'	2.14'
A4	0.01	0.16	0.22	0.15		2.0'	
A5	0.01	0.10	0.10	0.06		3.3'	
A6	0.01	0.74	1.01	0.15		2.0'	
A7	0.02	13.22	1.43	0.57		1.5'	
RLB-505	<0.01	3.68	0.5	0.3	0.2	1.5'	
AVG.	0.05 OZ.	6.57 OZ.	0.89 %	1.35 %			

Value = $20.96/T at present prices (only $14.87 in Au-Ag.)

B1	0.04	2.60	0.45	- STOPE FILL		—
B2	0.14	12.56	1.85			1.2'
B3	0.13	6.86	2.80			0.8'
B4	0.14	12.50	1.65	LEAD NOTED		1.3'
B5	0.06	4.10	1.68	IN SAMPLES		1.0'
B6	0.02	42.26	2.84	BUT NOT RUN		0.7'
B7	0.08	8.25	2.48			1.5'
B8	0.10	10.22	0.92			0.5'
B9	0.10	3.16	1.36			1.0'
B10	0.08	8.66	2.48			0.8'
B11	0.12	12.20	2.60			0.3'
B12	0.04	7.66	0.68			1.0'
B13	0.59	22.94	1.19			1.0'
B14	0.15	9.64	0.82			0.6'
B15	0.01	0.10	0.03			0.5'
AVG.	0.13	12.38	1.79			

Present Value = $33.41/Ton at present prices (only $20.52 in Au-Ag)
(but selective mining)

C1	0.04	9.20	1.40		1.0'	
C2	tr.	11.48	1.70	LEAD NOTED	1.8'	
C3	0.13	6.64	1.00	IN SAMPLES	1.2'	1.10'
C4	0.08	18.42	1.76		0.5'	
C5	0.03	2.82	0.64		1.0	
C6	0.02	0.38	0.08		0.4'	
C7	0.02	0.12	0.05		0.6'	
AVG.	0.06	11.43	1.46			

Avg value 27.05 only $16.54 - Au-Ag

D1	0.04	4.20	0.60	1.0'
E1	0.12	5.32		2.5'
N91-1	0.02	52.42	3.80	0.5'

SAN JUAN MINING AND DEVELOPING CO.

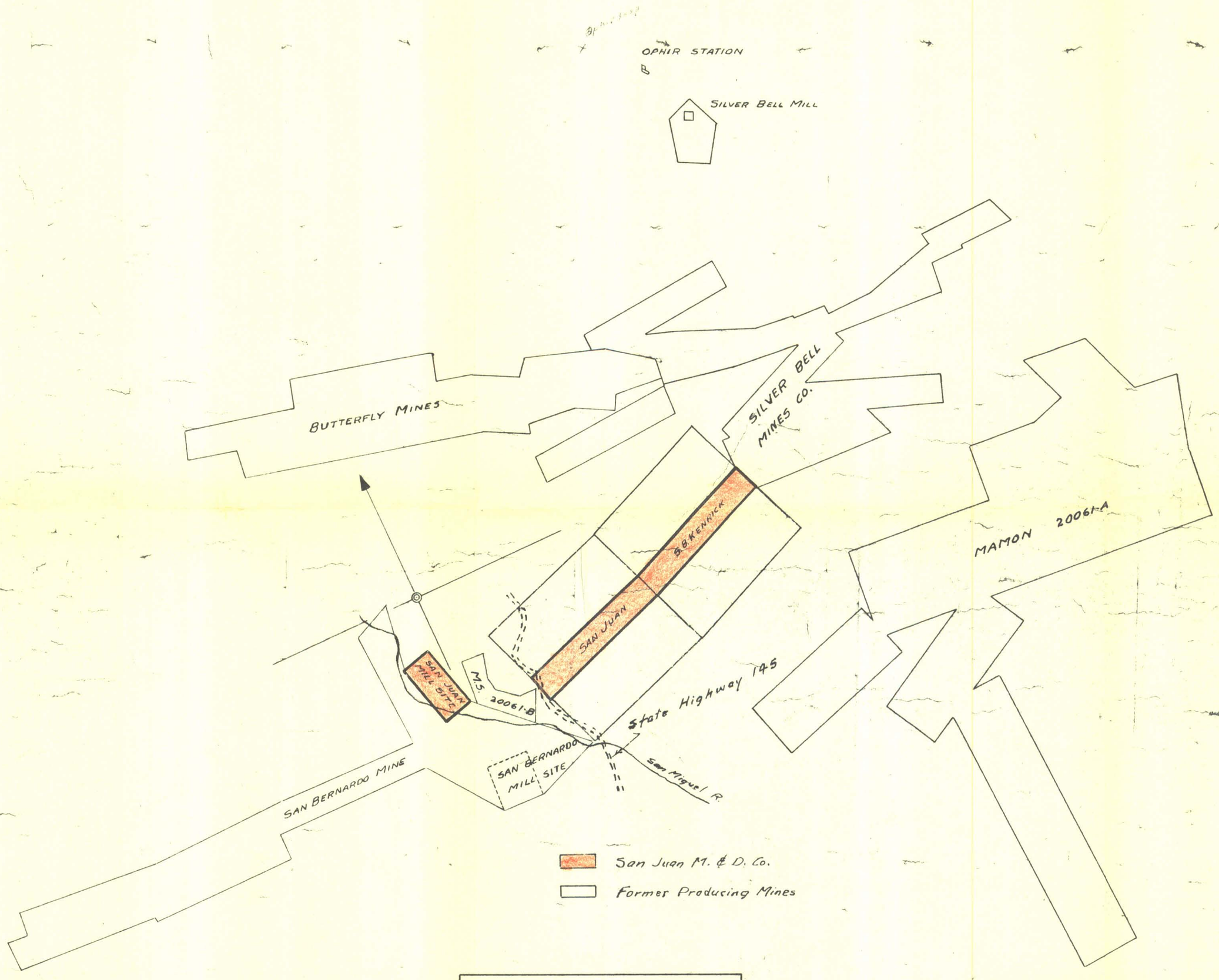
SAN JUAN MINE — MATTERHORN, COLO.

Date — 26 Feb, 1957

MAP SJ - 110

MAP "B"

San Juan M. & D. Co.
480 S. Lashley Lane
Boulder, Colorado



S. B. KENRICK & SAN JUAN
— PLAN —
SHOWING RELATIVE POSITIONS OF
NEIGHBOURING MINES

1" = 800' JULY 21-47
FILE SJ-101 C.H.T.