MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE Contract No. _____ Docket No. 6624

Application
- [x] Denied
- [x] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [ ] Application and Attachments

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam. Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports

- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No. _____: Maps (Use pocket folder or envelope)

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty Material

72195-65

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225
Office of Minerals Exploration

OFFICIAL COPY
O. M. E.
RECEIVED
APR 12 1967
INITIALS CODE

April 11, 1967

Memorandum

To: Chief, OME

From: Field Officer, Region III

Subject: Bonnez Mining Company, Ltd. (Silver)
Bonnez Property (Formerly Bondholder)
Saguache County, Colorado

Transmitted herewith is one copy of an application for financial assistance in minerals exploration on the above-stated property for your attention and consideration. The other copy is being retained in the Field Office files, Region III.

J. William Hasler
J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

MEClark/mc/4/10/67

MME Form 40
Jan. 65

Budget Bureau No. 42-R1508
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICIAL COPY O. M. RECEIVED APR 12 1967 INITIALS CODE

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.)*

Bonnez Mining Company, Ltd.
650 - 17th Street, Suite 812
Denver, Colorado 80202

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6624

DATE RECEIVED: 4-12-67

REGION: III

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED: Colorado

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Bonnez Mining Company	Denver, Colo.	Genl.Partner
Allan R. Phipps	Denver, Colo.	Ltd.Partner
Charles Steele	Creede, Colo.	" "
Clara V. S. Phipps	Denver, Colo.	" "

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

ESTIMATED COST OF PROJECT: $ 44,000.00

PROPERTY NAME	LOCATION COUNTY	STATE
Bonnez (Formerly Bondholder)	Saguache	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.~~ Washington, D. C., 20242, 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.

April 6, 1967
DATED

Charles A. Dawkins
BY *(Signature)*

Accountant
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

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 OME 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

INFORMATION FOR MME FORM 40
for
APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION
by
BONNEZ MINING COMPANY, LTD.

April 6, 1967

1. FINANCIAL ELIGIBILITY:

(a) See EXHIBIT A.
Copies of letters to and replies from:

Mr. Robert Specht	Mr. Jerome Woods
First National Bank of Denver	Cherry Creek National Bank
Denver, Colorado 80202	Denver, Colorado 80206

(b) Interests in Bonnez Mining Company, Ltd.:

(1) General Partner:

Bonnez Mining Company 650 Seventeenth St., Suite 812 Denver, Colorado 80202	60 %

(2) Limited Partners:

Allan R. Phipps 401 First National Bank Building Denver, Colorado 80202	22.5%
Charles Steele Creede, Colorado 81130	15 %
Clara V. S. Phipps 3481 E. Kentucky Ave. Denver, Colorado 80209	2.5%

(c) Applicant's share of cost will be made available, as required, from limited partners.

2. APPLICANT'S RIGHTS IN LAND:

(a) See EXHIBIT B
Rights are established by assignment from Bonnez Mining Company of located lode mining claims Bonnez #1 - 25, inclusive.

2. APPLICANT'S RIGHTS IN LAND (Cont'd.):

(b) See EXHIBIT C.
All located lode claims are in Range 1 West, Township 44 North, and involve parts of Sections 27, 28, 33 and 34.

See EXHIBIT D.
Bonnez #19 and #20 are the specific cliams upon which exploration is planned at this time.

All claims were recorded on June 20, 1966 in the office of Clerk and Recorder, Saguache County, Saguache, Colorado, in Book #334, Pages 2 - 50, inclusive.

All claims will be subject to government royalty and liens, although present exploration is limited to Bonnez #19 and #20.

3. PHYSICAL DESCRIPTION:

See EXHIBIT E.

(a) Woodmansee Tunnels #1, #2 and #3 were driven in the period 1890 to 1920. Allara Tunnel #1 is current work being performed by applicant.

(b) Applicant acquired Bonnez claims, did original access road work, constructed all necessary outside buildings, prepared surface for portal and has driven approximately 680 feet on Allara Tunnel #1.

(c) Woodmansee Tunnel #1 purportedly produced 10 tons of silver ore valued at $500 per ton which was taken out by pack-train. No records are available to substantiate this.

(d) None

(e) The Bonnez claims numbered 1 through 25 are located on property formerly known as Bondholder and hereafter referred to as that exploration conducted before entrance of Bonnez Mining Company, Ltd. This exploration was conducted between the years 1890 and 1920.

Early prospecting in the Bondholder area disclosed several

structures in a semi-circle with the San Luis Peak cauldron apparently the center of this activity. This prospecting was limited to hand work as accessibility prevented mobilization of machinery. The deepest exploration was in a series of parallel veins which we have designated the Woodmansee tunnels (Exhibit E). The drifting was near the basal contact of Equity quartz latite (as now designated) and a well defined flow rhyolite as yet undesignated though very similar to the rhyolite exposed in the hanging wall of the Equity Mine some seven miles southerly, Creede District. The Equity quartz latite was deposited on a fairly rough topography as shown in the Woodmansee tunnels and surface reconnaissance. The Woodmansee Tunnel #1 follows the strongest structure a distance of 650' plus with good mineralization in all areas where the walls show the least alteration, in areas of intense argillization mineralization is sparse. It appears the rhyolite has, to some extent, influenced the amount and character of ore deposition suggesting it to be the better host rock.

From preliminary exploration in the Allara tunnel and surface footwork it appears this area was subjected to subterranean magmatic pressure causing surface doming, subsequent collapse formed a complex graben of keystone fractures, a dacite dike encountered in the Allara tunnel supports this theory. Displacement along these fractures appears to be slight though just to the east of the Woodmansee #1 structure the quartz latite is much lower, suggesting a fault of considerable throw.

The site of the Allara portal was chosen to have the benefit of as much rhyolite overhead as possible and here has a thickness of approximately 300' (above the canyon floor) with depth of the flow uncertain. The flow lines show the rhyolite dipping gently northerly and the flow is completely covered by latite some 3,000' north of the Allara portal. To the south the rhyolite is visible by surface outcrops only to the area of the Woodmansee #1 structure and there the quartz latite dominates in all southerly outcrops. Talus on this steep slope prevents tracing the amount of displacement, but on the west side of the canyon at Cascade Creek the quartz latite outcrops 300' lower than the elevation of the Woodmansee #1 tunnel.

Mineralization was apparently confined to the fractures as no instance has been found of solutions penetrating the wall rock other than postmineralization alteration. The minerals

identified are the sulfides, chalco-pyrite argentite, galena and sphalerite. Some secondary mineralization has been observed in the form of wire silver. The minerals are enclosed in a gangue of white quartz, called bull quartz in the Creede District, in some zones of deposition calcite crystals are abundant and associated with galena and sphalerite form beautiful specimens similar to those found in the O. H. vein, Emperius Mines, Creede District.

(f) The deposition of an ore body requires many related factors. First in importance, it requires a host rock - a rock that will support open channels or ducts for free movement of the mineralizing solutions. Secondly, the time factor - the faulting or other structural change must have occurred before or concurrent with mineralization. Thirdly, the solutions must contain the minerals and temperature govern their final resting place. Fourth, an unknown factor throttling the solutions, inhibiting their ascension, such as soft pliable caprock sealing the cracks.

It is very apparent we have the above factors from the geologic features, the mineralization visible and the recorded assays. Its similarity to the Creede District cannot be discounted. Recent mercury tests are indicative of a sulfide anomaly in the Woodmansee structure though testing at this date has been limited and inconclusive.

With proper exploration we believe the Woodmansee and related structures will provide a silver bearing vein system of great potential and many years of production.

See EXHIBIT E for location of samples and assays thereof.

See EXHIBIT F - Certificates of Assays.

4. ACCESSIBILITY OF PROPERTY:

See Exhibit G.

(a) The Bonnez property is located approximately 248 miles southwest of Denver, Colorado. OME representative may drive 18 miles south from Powderhorn, Colorado to the Forest Cadwell Ranch where he will be met and driven another 6 miles south on Spring Creek.

Property and all mine workings are accessible, weather permitting.

4. ACCESSIBILITY OF PROPERTY (Cont'd.):

(b) Shipping and supply points are Gunnison, Colorado (50 miles) and Creede, Colorado (70 miles).

5. EXPLORATION WORK:

See EXHIBIT E.

(a) Proposed exploration from Allara Tunnel #1 is indicated on Exhibit E by dotted red lines and numbers. Work would be undertaken in the following order:

(1) Continue Allara Tunnel to cross-cut the Woodmansee:
103' Baldhead Tunnel 5' x 7'
(2) Drift on Woodmansee vein:
300' Timbered Tunnel 5' x 7'
(3) Drift on sheeted zone already cross-cut by Allara:
200' Timbered Tunnel 5' x 7'

(b) Access road must be improved to provide more working days. From June, 1966 until winter weather closed roads, time was concentrated on mining. Re-channeling of stream, fill and grading of temporary road along Spring Creek and widening of access road to portal must be done. See EXHIBIT G.

(c) Work could be started by June 1, 1967 (or earlier if roads permit) and completed in approximately six months. All costs in Section 7 of this application are based on this estimate. An average of 120' per month should be maintained for both drifts and the raise.

6. EXPERIENCE:

John Jackson	Age 39, excellent health and character. 23 years experience in hard rock mining including leasing, contracting and managing.
Eugene Wardell	Age 33, excellent health and character. 10 years experience in hard rock mining including company labor, leasing and contracting.
Charles A. Davlin	Age 52. Excellent health and character. 10 years experience in mining accounting and office management.

7. ESTIMATE OF COSTS:

Summary of estimated costs for driving and raising (combined)

	Baldhead Tunnel	5' x 7'	103'	
	Timbered Tunnel	5' x 7'	500'	603 Ft.
(b)	Personal Services		$18,890	
(c)	Operating Materials and Supplies		12,594	
(d)	Operating Equipment		9,764	
(f)	Surface Preparation		2,560	$43,808

Total Overall Cost per Foot - $75.65

No work will be performed by independent contractors - (labor on mining is not so considered), therefore, all costs are listed under categories (b) through (g).

(a) None

(b) PERSONAL SERVICES:

All services are available and cost is based on estimate of 6 months for completion.

Geological and Engineering Consultant:		
6 Consultations @ $100 each		$600
Direct Supervision:		
$750 per month plus tax and insurance		5,175
Miners: (2 sharing labor contract)		
Baldhead Tunnel - 103'	1,037.50	
Timbered Drift:		
Overhead - 330'	4,400.00	
Square Set - 170'	2,745.00	
	$8,182.50	
Insurance and Tax - 15%	1,227.37	
	$9,409.87	9,410
Outside Labor:		
1 @ $2.25 per hour plus tax and ins.		3,105
Assaying and Testing:		
60 fire assays; 3 spectographic		300
Office:		
Reproductions, typing, telephone, etc.		300

TOTAL PERSONAL SERVICES - (b) $18,890

7. ESTIMATE OF COSTS (Cont'd.):

(c) OPERATING MATERIALS AND SUPPLIES:

Actual invoice costs on operations to date have been summarized and converted to cost per foot as itemized below:

Track - Inc. splice bars, bolts & spikes	$1.20
Timber - round 30" @ $85.00/M	3.10
Explosives - all inclusive	5.25
Drill steel, repairs and bits	4.55
Fuel - Diesel, gasoline, lube oil, etc.	1.65
Vent Tubing and Wire	1.25
Air Line - 3" Victulic pipe & couplings	.50
Nails, First-Aid Supplies	.11
Total cost per foot	$17.61

603' @ $17.61 per foot	10,619.00	
Add:		
Vent Tubing - Present Tunnel	975.00	
Miscellaneous	500.00	
3% Sales Tax	500.00	
TOTAL OPERATING MATERIALS & SUPPLIES (c)		$12,594

(d) OPERATING EQUIPMENT:

Purchases:		
Bit grinders and stand (Used)	74.00	
Chain Hoist, 2 T. - New	80.00	
Rail Bender - New	75.00	
Wrench Set - New	85.00	
File Cabinet/Desk Combination - New	90.00	
	$404.00	
3% Sales Tax	12.00	
Total Purchases ...	$416.00	
Rentals: (6 month Rental)		
Pickup, Heavy Duty, 4 WD	900.00	
Compressor - 450 cfm - New	4,518.00	
Air Trammer	960.00	
Tram Cars (4) - 18" gauge	1,080.00	
Pipe Groover	120.00	
Ventilating Fan	570.00	
Bomcol Equipment (See Exhibit H)	1,200.00	
(Co.) Total Rentals ...	$9,348.00	9,764
TOTAL OPERATING EQUIPMENT (d) ...		$9,764

7. ESTIMATE OF COSTS (Cont'd.):

(e) INITIAL REHABILITATION AND REPAIRS:

None

(f) NEW BUILDINGS, FIXTURES & INSTALLATIONS:

Shop and Supply Building	685.00	
Road Repairs & Improvement:		
Est. bulldozer time - 150 hrs. @ $12.50	1,875.00	
TOTAL NEW BUILDINGS, FIXTURES, ETC. (f)		$2,560

(g) MISCELLANEOUS:

None

TOTAL ESTIMATE OF COSTS ... $43,808

==========

SCHEDULE OF EXHIBITS

A - Copies of Bank Letters

B - Assignment of Claims

C - Location Map - Bonnez #1 - #25, Inc.

D - Copies of Location Certificates for Bonnez #19 and #20

E - Working Map - Allara Tunnel, Woodmansee Tunnel, Assays

F - Assay Certificates

G - Road Map - Denver - Powderhorn - Cadwell Ranch - Property

H - Bonnez Mining Company, Ltd. (BOMCOL) Equipment List.

BONNEZ MINING COMPANY, LTD.

650 Seventeenth Street, Suite 812
Denver, Colorado 80202

March 10, 1967

Mr. Robert Specht
First National Bank of Denver
Denver, Colorado 80202

Dear Mr. Specht:

Pursuant to our conversation I would appreciate your considering this as a formal application for a loan in the amount of $40,000.00.

The purpose of the loan is for continued exploration of a group of unpatented mining claims located twenty miles south of Powderhorn, Colorado. To date we have explored some 790 feet, but desire funds to allow a continued exploration of an existing vein structure in the area. The total cost of the project is estimated to be $54,000.00. Loan proceeds would be advanced as required to carry out the project but only as our own matching funds were made available.

We respectfully request that there be no corporate or individual liability for the loan, but that principal and interest be repayable out of an agreed upon percentage of net smelter returns as ores produced from the property.

Although the loan would be classed as speculative it is our opinion, supported by geological information, that the property has excellent prospects for production of silver and we would be interested in your considering the loan based on the above terms.

In the event this project is of a nature that can be accepted by your loan committee, we would appreciate meeting with you to discuss further terms of the loan.

Very truly yours,

Bonnez Mining Company, Ltd.

By:
Charles A. Davlin
Accountant

CAD:ls

BONNEZ MINING COMPANY, LTD.

650 Seventeenth Street, Suite 812
Denver, Colorado 80202

March 10, 1967

Mr. Jerome Wood
Cherry Creek National Bank
East First Avenue & St. Paul
Denver, Colorado

Dear Mr. Wood:

Pursuant to our conversation I would appreciate your considering this as a formal application for a loan in the amount of $40,000.00.

The purpose of the loan is for continued exploration of a group of unpatented mining claims located twenty miles south of Powderhorn, Colorado. To date we have explored some 790 feet, but desire funds to allow a continued exploration of an existing vein structure in the area. The total cost of the project is estimated to be $54,000.00. Loan proceeds would be advanced as required to carry out the project but only as our own matching funds were made available.

We respectfully request that there be no corporate or individual liability for the loan, but that principal and interest be repayable out of an agreed upon percentage of net smelter returns as ore is produced from the property.

Although the loan would be classed as speculative it is our opinion, supported by geological information, that the property has excellent prospects for production of silver and we would be interested in your considering the loan based on the above terms.

In the event this project is of a nature that can be accepted by your loan committee, we would appreciate meeting with you to discuss further terms of the loan.

Very truly yours,

Bonnez Mining Company, Ltd.

By:

Charles A. Davlin
Accountant

CAD:ls

A S S I G N M E N T

For and in consideration of the sum of Ten Dollars ($10.00), and other valuable considerations, the receipt and sufficiency of which is hereby acknowledged, Bonnez Mining Company, a Colorado corporation, hereby assigns, sells, transfers, conveys and sets over unto BONNEZ MINING COMPANY, LTD., a Colorado Limited Partnership, all of its right, title, and interest in and to each and every of the below-described mining claims, are located in Township 44N, Range 1 West of the NMP Meridian, in the County of Saguache, State of Colorado, Book 334, Ref. Colo. Map 35-3; to-wit:

LODE:						Recorded on Page
BONNEZ	#1	SE	Quarter of	Section	28	2
"	2	SE	"	"	28	4
"	3	SE	"	"	28	6
		SW	"	"	27	
"	4	SW	"	"	27	8
"	5	SW	"	"	27	10
"	6	SW	"	"	27	12
		NW	"	"	34	
"	7	SW	"	"	27	14
		NW	"	"	34	
"	8	SW	"	"	27	16
		NW	"	"	34	
"	9	SE	"	"	28	18
		NE	"	"	33	
"	10	NE	"	"	33	20
"	11	NW	"	"	34	22
"	12	NW	"	"	34	24
"	13	NW	"	"	34	26
"	14	NE	"	"	33	28
		NW	"	"	34	
"	15	NE	"	"	33	30
"	16	NW	"	"	34	32
		SW	"	"	34	

ASSIGNMENT (Cont'd.)

LODE						Recorded on Page
BONNEZ	#17	NW	Quarter of	Section	34	34
		SW	"	"	34	
"	18	NW	"	"	34	36
		SW	"	"	34	
"	19	SW	"	"	34	38
"	20	SE	"	"	33	40
		SW	"	"	34	
"	21	SW	"	"	34	42
		SE	"	"	34	
"	22	SW	"	"	34	44
"	23	SW	"	"	34	46
"	24	SW	"	"	34	48
"	25	SW	"	"	34	50

IN WITNESS WHEREOF, these presents have been duly executed, Attested and delivered by the appropriate officers of the assignor company, thereunto duly authorized.

Dated at Denver, Colorado, this 6th day of July, 1966.

BONNEZ MINING COMPANY

By John R. Jackson
President

ATTEST:

Charles A. Davlin
Secretary

STATE OF COLORADO)
) SS
CITY & COUNTY OF DENVER)

The foregoing instrument was acknowledged before me by John R. Jackson, as President, and Charles A. Davlin as Secretary, of Bonnez Mining Company, a Colorado Corporation, this 6th day of July, 1966.

My commission expires Jan. 6, 1968.

Catherine M. Lundquist
Notary Public

Filed for record the ..... day of ..... A. D. 19 ..... at ..... o'clock ..... M. ..... RECORDER.
Reception No. 189393 By ..... DEPUTY.

39

(THIS MAP MUST BE ATTACHED TO LOCATION CERTIFICATE)

MAP OF BONNEZ # 19 LODE

attached to and hereby made a part of the Location Certificate, which map is prepared from an actual field survey of said Lode Claim.

1. Name and Address of Discoverer of Claim:

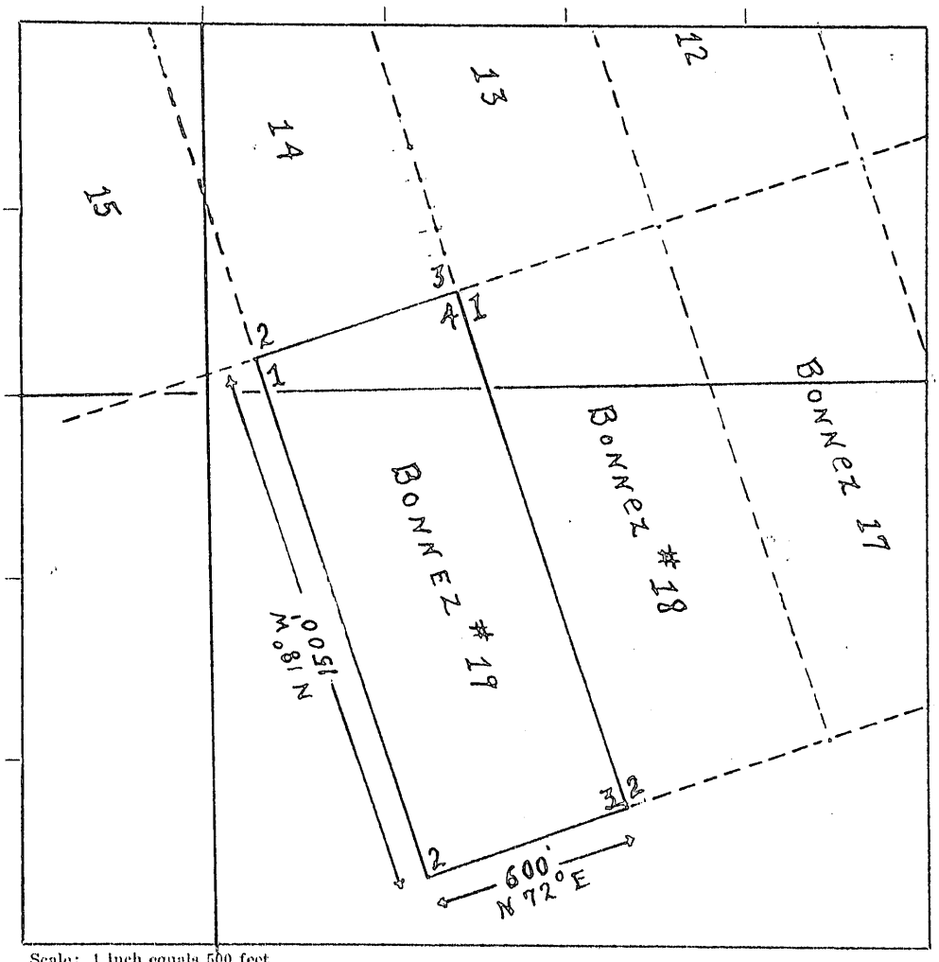
Name Bonnez Mining Co. (John Jackson & Eugene Wardell)

Address Creede, Colorado

2. Legal Subdivision of the land upon which the claim is located, if such land is surveyed:

SW Quarter of Section 34, Township 44 N, Range 1 W of the N M P Meridian, in the County of Saguache, State of Colorado.

3. The claim pattern with courses and distances of the boundary lines is as follows:



Scale: 1 inch equals 500 feet

Dated at Saguache, Colorado, this 14th day of June, 19 66.

John Jackson (SEAL)
Eugene Wardell (SEAL)
(SEAL)
(SEAL)
(SEAL)
(SEAL)

LOCATOR.....

(THE CLAIM PATTERN MUST REFER TO THE NEAREST SECTION OR QUARTER SECTION CORNER OF PUBLIC LAND SURVEY, IF SURVEYED, OR TO A PERMANENT MONUMENT, IF NOT SURVEYED, BY WHICH THE CLAIM ON THE GROUND CAN BE READILY AND ACCURATELY ASCERTAINED.)
92-22-6A--Colorado Revised Statutes, 1953

FORM 158 LODE LOCATION MAP—THE C. F. HOECKEL BLANK BOOK & LITHO CO., DENVER, COLO.

Filed for record the 20th day of J[illegible], A. D. 1966, at 10.00 o'clock A.M. Mabel Redhead RECORDER.
Reception No. 189393 By ..... DEPUTY.

STATE OF COLORADO,
County of Saguache } ss.

Know all Men by these Presents,

That Bonnez Mining Company (John Jackson & Eugene Wardell)

the undersigned, has, this 14th day of June, 19 66, located and claimed, and by these presents does locate and claim, by right of discovery and location, in compliance with the Mining Acts of Congress, approved May 10, 1872, and all subsequent acts, and with local customs, laws and regulations, 1500 linear feet and horizontal measurement on the BONNEZ #19 Lode, vein, ledge or deposit, along the vein thereof, with all its dips, angles and variations, as allowed by law, together with 300 feet on the Westerly side, and 300 feet on the Easterly side of the middle of said vein, at the surface, so far as can be determined from present developments; and all veins, lodes, ledges or deposits and surface ground within the lines of said claim, 1480 feet running Northerly from center of discovery cut and 20 feet running Southerly from center of discovery cut; said discovery cut being situate upon said lode, vein, ledge or deposit, and within the lines of said claim, in Spring Creek Mining District, County of Saguache and State of Colorado, described by metes and bounds as follows, to-wit:

Beginning at corner No. 1 which is the Northwest corner and is identical with corner #2 of the Bonnez #14 lode, thence South 18° East 750' to the West side center post, 1500' to corner #2, the Southwest corner, thence North 72° East 600' to corner #3, the Southeast corner which is identical with corner #2 of the Bonnez #18 lode, thence North 18° West 750' to the East side center post, 1500' to corner #4, the Northeast corner which is identical with corner #1 of the Bonnez #18 lode, thence South 72° West 600' to corner #1 the place of beginning.

For the Bonnez Mining Company

by John Jackson [SEAL]
by Eugene Wardell [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]

Said lode was discovered on the 1st day of June, A. D. 1966

Date of location June 9th, A. D. 1966

Date of Certificate June 14th, A. D. 1966

Filed for record the ..... day ..... A. D. 19 ....., at ..... o'clock ..... M. ..... RECORDER.
Reception No. 189394 ..... By ..... DEPUTY.

(THIS MAP MUST BE ATTACHED TO LOCATION CERTIFICATE)

MAP OF BONNEZ #20 LODE

attached to and hereby made a part of the Location Certificate, which map is prepared from an actual field survey of said Lode Claim.

1. Name and Address of Discoverer of Claim:

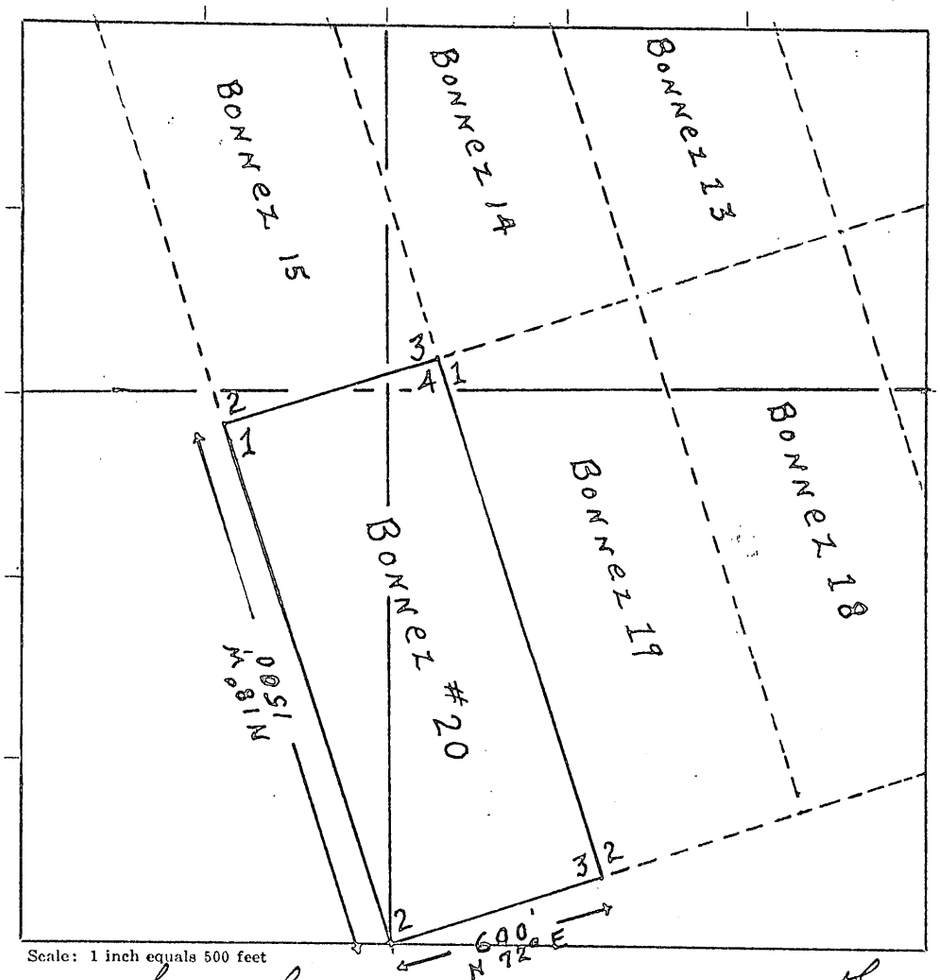
   Name Bonnez Mining Company (John Jackson & Eugene Wardell)

   Address Creede, Colorado

2. Legal Subdivision of the land upon which the claim is located, if such land is surveyed:
   SE Ref. Colo. Map 35-3 33
   SW Quarter of Section 34, Township 44 N, Range 1 W

   of the N M P Meridian, in the County of Saguache, State of Colorado.

3. The claim pattern with courses and distances of the boundary lines is as follows:



Scale: 1 inch equals 500 feet

Dated at Saguache, Colorado, this 14th day of June, 19 66.

John Jackson (SEAL)
Eugene Wardell (SEAL)
(SEAL)
(SEAL)
(SEAL)
(SEAL)

LOCATOR.....

(THE CLAIM PATTERN MUST REFER TO THE NEAREST SECTION OR QUARTER SECTION CORNER OF PUBLIC LAND SURVEY, IF SURVEYED, OR TO A PERMANENT MONUMENT, IF NOT SURVEYED, BY WHICH THE CLAIM ON THE GROUND CAN BE READILY AND ACCURATELY ASCERTAINED.)
92-22-6A—Colorado Revised Statutes, 1953

FORM 158 LODE LOCATION MAP—THE C. F. HOECKEL BLANK BOOK & LITHO CO., DENVER, COLO.

Filed for record the 20th day of J[illegible], A. D. 1966, at 10:00 o'clock A. M. Mabel Redhead RECORDER.
Reception No. 189394 By ..... DEPUTY.

STATE OF COLORADO,
County of Saguache } ss.

Know all Men by these Presents,

That Bonnez Mining Company (John Jackson & Eugene Wardell)

the undersigned, has, this 14 day of June, 1966, located and claimed, and by these presents does locate and claim, by right of discovery and location, in compliance with the Mining Acts of Congress, approved May 10, 1872, and all subsequent acts, and with local customs, laws and regulations, 1500 linear feet and horizontal measurement on the BONNEZ #20 Lode, vein, ledge or deposit, along the vein thereof, with all its dips, angles and variations, as allowed by law, together with 300 feet on the Westerly side, and 300 feet on the Easterly side of the middle of said vein, at the surface, so far as can be determined from present developments; and all veins, lodes, ledges or deposits and surface ground within the lines of said claim, 1480 feet running Northerly from center of discovery cut and 20 feet running Southerly from center of discovery cut; said discovery cut being situate upon said lode, vein, ledge or deposit, and within the lines of said claim, in Spring Creek Mining District, County of Saguache and State of Colorado, described by metes and bounds as follows, to-wit:

Beginning at corner No. 1 which is the Northwest corner and is identical with corner #2 of the Bonnez #15 lode, thence South 18° East 750' to the West side center post, 1500' to corner #2, the Southwest corner, thence North 72° East 600' to corner #3, the Southeast corner which is identical with corner #2 of the Bonnez #19 lode, thence North 18° West 750' to the East side center post, 1500' to corner #4, the Northeast corner which is identical with corner #1 of the Bonnez #19 1 lode, thence South 72° West 600' to corner #1, the place of beginning.

For the Bonnez Mining Company

Said lode was discovered on the 2nd day of June, A. D. 1966

Date of location June 8, A. D. 1966.

Date of Certificate June 14th, A. D. 1966

by John Jackson [SEAL]
by Eugene Wardell [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]

Filed for record the ..... day of ....., A. D. 19 ....., at ..... o'clock ..... M. ..... RECORDER.
Reception No. 189393 By ..... DEPUTY.

39

(THIS MAP MUST BE ATTACHED TO LOCATION CERTIFICATE)

MAP OF BONNEZ # 19 LODE

attached to and hereby made a part of the Location Certificate, which map is prepared from an actual field survey of said Lode Claim.

1. Name and Address of Discoverer of Claim:

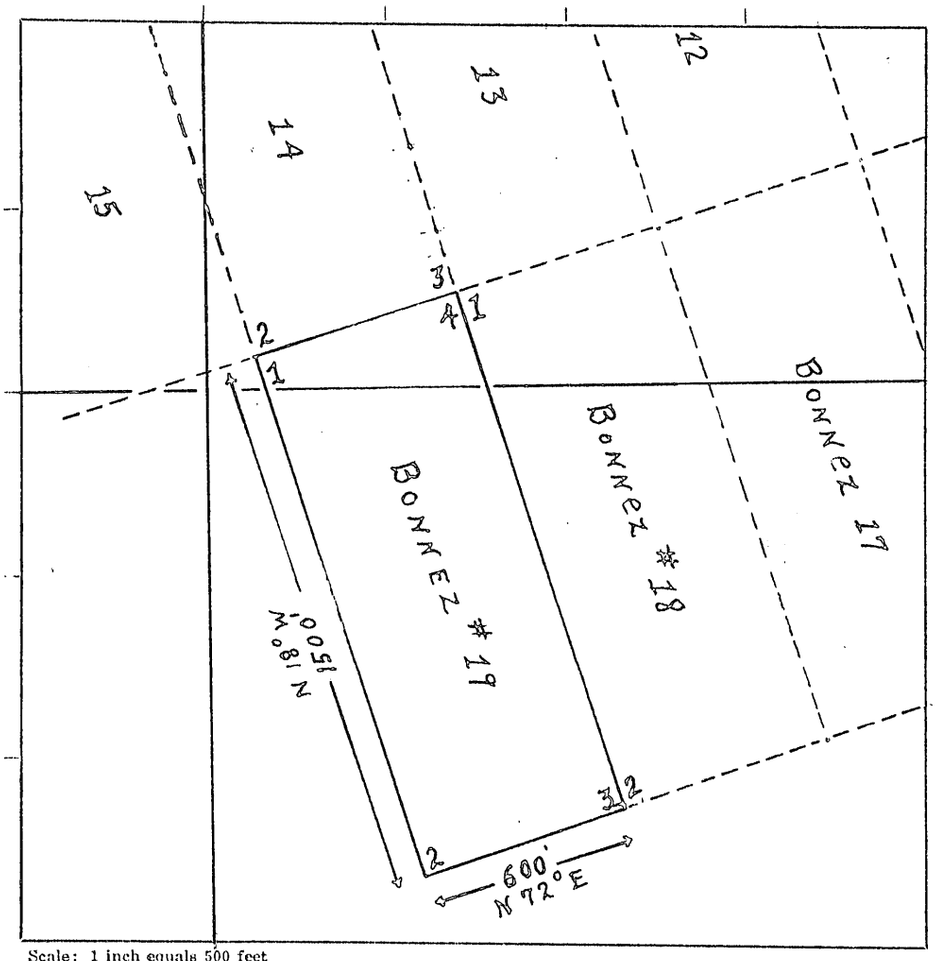
Name Bonnez Mining Co. (John Jackson & Eugene Wardell)

Address Creede, Colorado

2. Legal Subdivision of the land upon which the claim is located, if such land is surveyed:

SW Quarter of Section 34, Township 44 N, Range 1 W of the N M P Meridian, in the County of Saguache, State of Colorado.

3. The claim pattern with courses and distances of the boundary lines is as follows:



Scale: 1 inch equals 500 feet

Dated at Saguache, Colorado, this 14th day of June, 1966.

John Jackson (SEAL)
Eugene Wardell (SEAL)
(SEAL)
(SEAL)
(SEAL)
(SEAL)

LOCATOR.....

(THE CLAIM PATTERN MUST REFER TO THE NEAREST SECTION OR QUARTER SECTION CORNER OF PUBLIC LAND SURVEY, IF SURVEYED, OR TO A PERMANENT MONUMENT, IF NOT SURVEYED, BY WHICH THE CLAIM ON THE GROUND CAN BE READILY AND ACCURATELY ASCERTAINED.)
92-22-6A—Colorado Revised Statutes, 1953

FORM 158 LODE LOCATION MAP THE C. F. HOLCKER BLANK BOOK & LITHO CO., DENVER, COLO.

CHERRY CREEK NATIONAL BANK
OF DENVER
EAST FIRST AVENUE AT ST. PAUL STREET. 388-4331
DENVER, COLORADO 80206

March 15, 1967

MAR 16 RECD

Mr. Charles A. Davlin
Accountant
Bonnez Mining Company, Ltd.
650 - 17th Street, Suite 812
Denver, Colorado 80202

Dear Mr. Davlin:

Your application of March 10, 1967 for a loan of $40,000.00 to be used for exploration of unpatented mining claims has been carefully considered by our Committee. It was felt that the purpose was too risky to qualify for a loan with our Bank. Your application was, therefore, declined.

We are very sorry that we are unable to assist you in this matter.

Very truly yours,

J. B. Woods
Vice President

JBW/mp

THE FIRST NATIONAL BANK OF DENVER

DENVER, COLORADO

ROBERT W. SPECHT
VICE PRESIDENT

P. O. BOX 5808
DENVER, COLO., 80217
TELEPHONE 266-2211

March 15, 1967

MAR 16 RECD

Mr. Charles A. Davlin
Bonnez Mining Company, Ltd.
650 17th Street, Suite 812
Denver, Colorado 80202

Dear Mr. Davlin:

After giving consideration to the application for a loan contained in your letter of March 10, 1967, our committee has declined said application. The speculative nature of the loan as well as the indefinite repayment program are the two factors which make the loan unacceptable to us.

We regret that we cannot be of service to you at this time.

Very truly yours,

THE FIRST NATIONAL BANK OF DENVER

Robert W Specht

Robert W. Specht
Vice President

RWS:sq

OUR MOTTO: — WHAT THERE IS IN IT, NO MO[illegible]D LESS.

EDMUND E. PHILLIPS, VICE-PRES. [illegible]. MGR — M. E. PHILLIPS, SECRETA[illegible]

THE COLORADO ASSAYING COMPANY

(INCORPORATED)

ASSAYERS AND CHEMISTS

2244 BROADWAY

DENVER 1, COLORADO June 16, 1966.

REPORT ON DETERMINATIONS MADE FOR — Mr. C. A. Davlin,
Bonnez Mining Co.,
City.

SAMPLE MARKS	METALS		Amount per Ton Ozs.	Hdo.	PER CENT	Value per Ton Dollars	Cents
#1 4" Cut- sulfide Streak Lower Tunnel Cascade Creek	Gold	35		.01			.35
	Silver			1.20			1.56
	Copper	1.50			0.40%		2.40
7	Lead	2			8.6%		21.50
		7					
#2 8" Cut West Vein by Calcite Cascade Creek	Gold	3		trace			
1.50	Silver			.10			.13
	Copper	1.50			0.20%		1.20
	Lead	2			0.7%		1.75
#3 Cut of Contact Vein Tunnel Site	Gold	3		.01			.35
3	Silver			9.10			11.83
#4 Sump Vein Cut - Main Tunnel	Gold	3		.01			.35
	Silver			85.60			111.28
6.50	Copper	1.50			0.35%		2.10
	Lead	2			11.3%		28.25
#5 Altered Rhyolite Dike	Gold	3		trace			
1.50	Silver			.30			.39
	Copper	1.50			trace		
	Lead	2			trace		
#6 Chryso. in Latite- Conglomerate Sheep Creek	Gold	3		trace			
4.50	Silver	1.50		.60			.78
	Copper				0.05%		.30
#7 Cut of Sheep Creek Fault 6'	Gold	3		trace			
3	Silver			trace			
		24.50					
		1.50					
3.5000		38 =					

GOLD AT $35.00 PER OUNCE SILVER AT $1.30 PER OUNCE
LEAD AT $2.50 PER UNIT COPPER AT $6.00 PER UNIT

THE COLORADO ASSAYING COMPANY

By Ed Phillips

OUR MOTTO: — WHAT THERE IS IN IT, NO[illegible]E NO LESS.

EDMUND E. PHILLIPS, VICE-PR[illegible] GEN. MGR.

M. E. PHILLIPS, SECRE

THE COLORADO ASSAYING COMPANY

(INCORPORATED)

ASSAYERS AND CHEMISTS

2244 BROADWAY

DENVER, COLORADO 80201 August 4,196

REPORT ON DETERMINATIONS MADE FOR — Bonnez Mining Company
Creede, Colorado

SAMPLE MARKS	METALS	Amount per Ton Ozs.	Amount per Ton Hds.	PER CENT	Value per Ton Dollars	Value per Ton Ce
#1 14" Cut of Fault, 40' from Portal Allara Tunnel	Gold Silver	trace. .20		✓		.26
#2 Outcrop Breccia on Bonnez #10	Gold Silver	trace trace.				

GOLD AT _____ PER OUNCE SILVER AT _____ PER OUNCE

LEAD AT _____ PER UNIT COPPER AT _____ PER UNIT

THE COLORADO ASSAYING COMPAN

By Ed Phillips

ASSAY REPORT

GRAND JUNCTION LABORATORIES

435 North Ave. — Phone 242-7618 — Grand Junction, Colo.

Date 8/22/66 19

CUSTOMER Bonnez Mining Co. ADDRESS Powderhorn, Colorado

Lab No.	Sample Identification	Gold Oz/Ton	Silver Oz/Ton	Copper % Cu	Lead % Pb	Zinc % Zn			
4057	#1 outcrop 40°E @250° Elev.	0.00	0.34						
4058	#2 14" Cut of vein (drift#4@29°	0.002	4.34						

CHARGES $

John O. Kepfleur ASSAYER

OUR MOTTO: — WHAT THERE IS IN IT, NO MO[illegible]O LESS.

EDMUND E. PHILLIPS, VICE-PRES.[illegible]H. MGR. M. E. PHILLIPS, SECRETA

THE COLORADO ASSAYING COMPANY

(INCORPORATED)

ASSAYERS AND CHEMISTS

2244 BROADWAY

DENVER, COLORADO 80201 November 23,

REPORT ON DETERMINATIONS MADE FOR — Mr. John Jackson,
Bonnez Mining Company
Powderhorn, Colorado.

SAMPLE MARKS	METALS	Amount per Ton Ozs.	Amount per Ton Hds.	PER CENT	Value per Ton Dollars	Value per Ton Cents
#20 Grab, 22 tons, 36-42	Gold	trace				
	Silver		.30			.39
#21 Cut of Seams and Quartz 32-42	Gold		.005			.18
	Silver	12	.80		16	.64
	Lead			3.9%	9	.75
	Zinc			8.9%	13	.35
#22 Grab 25 tons 42-47	Gold	trace				
	Silver	1	.00		1	.30
	Lead			0.6%	1	.50
	Zinc			1.2	1	.80
#23 Grab 22 tons 47-53	Gold	trace				
	Silver		.60			.78
#24 Cut of Quartz Vein 12" @ 53'	Gold	trace				
	Silver	1	.60		2	.08

GOLD AT $35. PER OUNCE SILVER AT $1.30 PER OUNCE
LEAD AT $2.50 PER UNIT COPPER AT _____ PER UNIT
Zinc at $1.50 per unit.

THE COLORADO ASSAYING COMPANY

By Ed Phillips

OUR MOTTO: — WHAT THERE IS IN IT, NO MO[illegible]NO LESS.

EDMUND E. PHILLIPS, VICE-PRES[illegible]N. MGR

M. E. PHILLIPS, SECRETA

THE COLORADO ASSAYING COMPANY

(INCORPORATED)

ASSAYERS AND CHEMISTS

2244 BROADWAY

DENVER 1, COLORADO Dec. 2, 1966.

REPORT ON DETERMINATIONS MADE FOR — Bonnez Mining Company,
Powderhorn, Colo.
(Mr. John Jackson)

SAMPLE MARKS	METALS	Amount per Ton Ozs.	Amount per Ton Hdg.	PER CENT	Value per Ton Dollars	Value per Ton Cents
Grab 25 tons - 53' to 58', Sample #25	Gold	trace				
	Silver		.40			.52
	Lead			0.4%	1.	00
	Zinc			0.6		.90
Grab 22 tons - 58' to 63', Sample #26	Gold		.01			.35
	Silver		1.10		1.	43
	Copper			0.05		.35
Grab 24 tons - 63' to 68', Sample #27	Gold	trace				
	Silver		.50			.65
	Lead			0.6	1.	50
	Zinc			0.8	1.	20

GOLD AT $35.00 PER OUNCE SILVER AT $1.30 PER OUNCE

LEAD AT $2.50 PER UNIT COPPER AT $7.00 PER UNIT

Zinc at $1.50 per unit

THE COLORADO ASSAYING COMPANY

By Ed Phillips

OUR MOTTO: — WHAT THERE IS IN IT, NO MORE [illegible] LESS.

EDMUND E. PHILLIPS, VICE-PRES.—[illegible] MGR.

M. E. PHILLIPS, SECRETARY

THE COLORADO ASSAYING COMPANY

(INCORPORATED)

ASSAYERS AND CHEMISTS

2244 BROADWAY

DENVER, COLORADO 80201 Feb. 22, 1967

REPORT ON DETERMINATIONS MADE FOR — Bonnez Mining Company
Powderhorn, Colorado.

SAMPLE MARKS	METALS	Amount per Ton Ozs.	Amount per Ton Hds.	PER CENT		Value per Ton Dollars	Value per Ton Cents
#31	Silver	2	.00			$2	.60
#32	Silver	2	.20			2	.86
#33	Silver	5	.40			7	.02
#34	Silver		.30				.39
#35	Silver		.50				.65
#36	Silver	10	.40			13	.52
#37	Silver	trace					

7" 2 60 LW
14 00

GOLD AT _____ PER OUNCE
LEAD AT _____ PER UNIT

SILVER AT $1.30 PER OUNCE
COPPER AT _____ PER UNIT

THE COLORADO ASSAYING COMPANY

By E. Phillips

OUR MOTTO: — WHAT THERE IS IN IT, NO MOR[illegible] LESS.

EDMUND E. PHILLIPS, VICE-PRES.-[illegible] MGR. M. E. PHILLIPS, SECRETAR[illegible]

THE COLORADO ASSAYING COMPANY

(INCORPORATED)

ASSAYERS AND CHEMISTS

2244 BROADWAY

DENVER, COLORADO 80201 January 27, 1967

REPORT ON DETERMINATIONS MADE FOR — Mr. John Jackson,
Bonnez Mining Company
Powderhorn, Colorado

SAMPLE MARKS	METALS	Amount per Ton Ozs.	Amount per Ton Hds.	PER CENT	Value per Ton Dollars	Value per Ton Cents
#30 Gouge in X-fault 139' from survey plug #3	Silver	4	.00		5	.20
	Lead			2.1	5	.25
	Zinc			9.8	14	.70
#31 West dip fracture 43' from Survey Plug #4 - Vein Cut 12"	Silver	1	.70		2	.21
	Lead			5.0	7	.50
	Zinc			11.8	17	.70
Johnny, do the a[illegible] the [illegible] expected [illegible] on [illegible] on an approach [illegible]						

GOLD AT _____ PER OUNCE SILVER AT $1.30 PER OUNCE

LEAD AT $2.50 PER UNIT COPPER AT _____ PER UNIT

Zinc at $1.50 per unit.

THE COLORADO ASSAYING COMPANY

By Ed Phillips

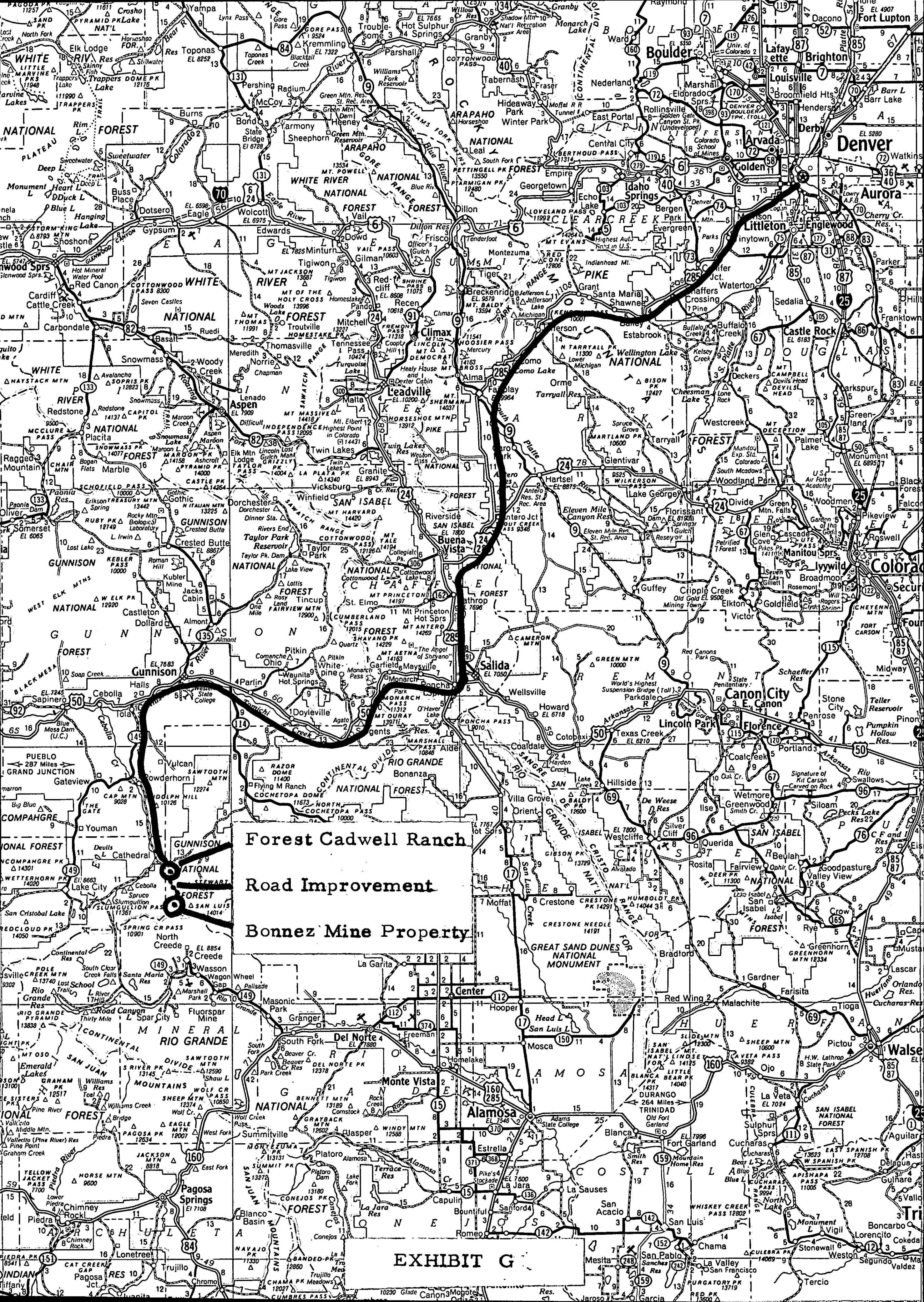
BONNEZ MINING COMPANY, LTD. (BOMCOL) EQUIPMENT:

Following is a partial list of equipment presently owned and used by Bonnez Mining Company, Ltd. which will be used in the operation of the proposed project.

An overall value of $5,000 has been placed on these items and was the basis of the $1,200 figure listed in 7 (d) - Rentals.

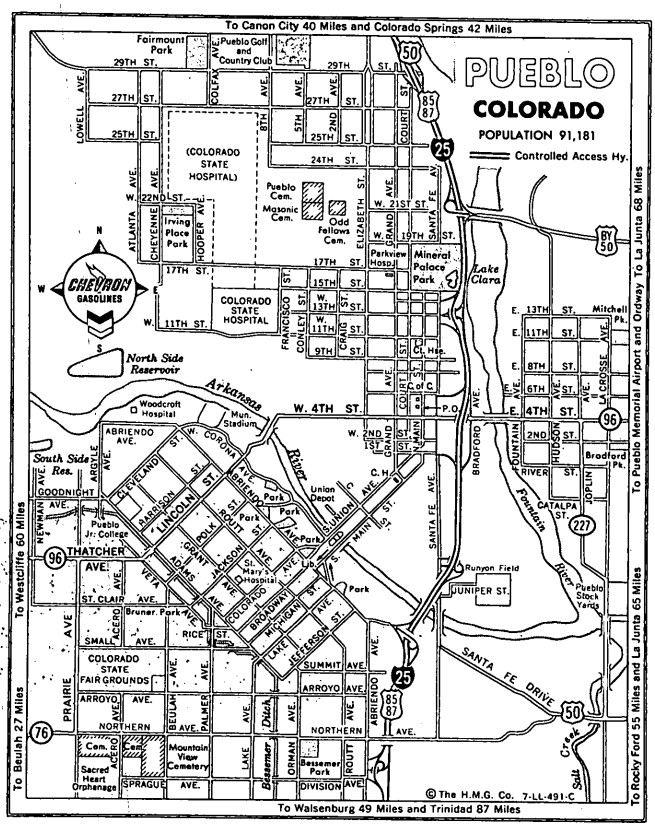
Eimco 12-B Mucking Machine
Ford Dump Truck
LeRoi Jack-Leg
Gardner-Denver Jack-Leg
Chain Saw - Gasoline
Acetylene Welder, Oxygen, Cutter & Bottles
60 Gal. Water Pressure Tank
100 Gal. Air Receiver
1 - 300 Gal. Fuel Tank
6 - 55 Gal. " "
Oilers for drills and hose
200' Hose with connections
Buildings - Dry Room, Compressor House, Powder Magazine
Miscellaneous - Pipe wrenches, Hose menders, Axes, Handsaws, Valves, Manifolds, Pipe Fittings, etc.

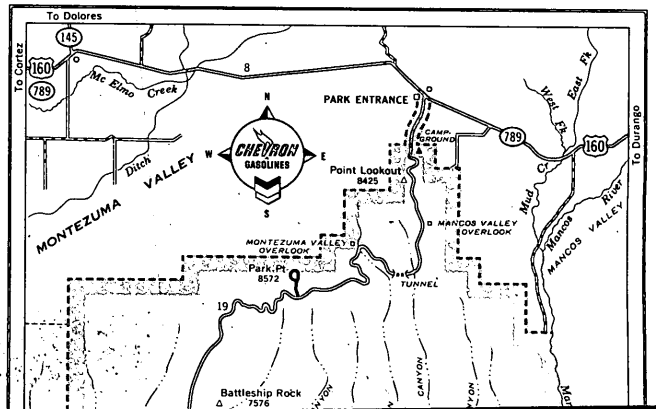
EXHIBIT H


Forest Cadwell Ranch
Road Improvement
Bonnez Mine Property
EXHIBIT G

RECREATIONAL AREAS

NATIONAL FOREST AREAS (CONT'D)	Map Location	Hotel or Lodge	Cabins	Campsites	Trailer Space	Refreshments	Shelter	Picnicking	Swimming	Boating	Fishing	Hunting	Winter Sports	Historic Interest	Scientific Interest
OLIVE RIDGE	B-2			●	●			●							
RAINBOW LAKES	C-2			●				●			●	●			
UPPER AND LOWER NORTH FORK	A-2			●				●			●				
ROUTT NATIONAL FOREST															
BIG CREEK LAKES	A-8			●	●			●		●	●	●			
BLACKTAIL CREEK	C-8			●	●			●			●	●			
BOX CANYON	B-7			●	●			●			●	●			
GORE PASS	C-8			●	●			●				●			
HELENA	B-8			●	●			●			●	●			
HORSESHOE	C-7			●	●						●	●			
LYNX PASS	C-8			●	●			●			●	●			
SEEDHOUSE	B-7			●	●			●			●	●			●
STILLWATER	C-7			●	●			●				●			
VAUGHN LAKE	C-7			●	●						●	●			
WALTON CREEK	B-8			●	●			●			●	●			
SAN ISABEL NATIONAL FOREST															
ALVARADO	F-9			●	●			●							
COLLEGIATE PEAK	E-8			●	●			●			●				
COTTONWOOD LAKE	E-8			●	●			●			●				
CUCHARAS	G-10			●	●			●							
GARFIELD	E-8			●	●			●			●				
HAYDEN CREEK	F-9			●	●			●							
LAKE ISABEL	F-10			●	●			●		●	●				
MONARCH PARK	E-8			●	●			●			●		○		
O'HAVER LAKE	E-8			●	●			●							
SMITH CREEK	F-10			●				●							
SAN JUAN NATIONAL FOREST															
BRIDGE	G-7			●				●			●	●			
BURRO BRIDGE	F-6			●							●	●			
CHERRY CREEK	G-6			●				●							
FORKS	G-5			●				●			●	●			
LOWER PIEDRA	G-7			●				●			●				
MIDDLE MOUNTAIN	G-7			●						●	●	●			
PIEDRA	G-7			●				●			●	●			
PINE POINT	G-7			●						●	●	●			
PURGATORY	G-6			●											
SOUTH MINERAL	F-6			●				●			●				
STONER SKI CENTER	G-5												○		
VALLECITO	G-6			●	●					●	●	●			
WEST FORK	G-7			●							●	●			○
WOLF CREEK	G-7			●							●	●			
UNCOMPAHGRE NATIONAL FOREST															
AMPHITHEATRE	F-6	●	●	●	○			●	●				○	●	○
ANTONE SPRING	F-6			●	●			●				●			
BEAVER LAKE	F-6			●	○			●			○	●			
BIG BLUE	F-7			●				●			●	●			○
CARSON HOLE	E-5			●				●			●	●			
DIVIDE FORK	E-5			●	●			●				●			
SUNSHINE	F-6			○	○			●			○	●		○	○
WHITE RIVER NATIONAL FOREST															
ASHCROFT	D-7	●		●	○			●			○		○		
ASPEN SKI CENTER	D-7												○		
AVALANCHE	D-7			●	○			●							
BOGAN FLATS	D-7			●	●			●			●			●	
CHAPMAN	D-8			●	●			●	●		●				
DEEP LAKE	C-7			●	○			●		●	●				
DIFFICULT	D-8			●	○			●			●				
HOMESTAKE	D-8			●	●			●							
LINCOLN GULCH	D-8			●											





MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/13/67	Kirkemo	120
		110
		220
		120M

JUL 13 1967

AIRMAIL

Bonnez Mining Company, Ltd.
650 17th Street, Suite 812
Denver, Colorado 80202

Re: OME-6624 (Silver)
Bonnez Mining Company, Ltd.
Bonnez Property (formerly Bondholder)
Saguache County, Colorado

Gentlemen:

Thank you for your letter of July 6, 1967, informing us that development work to date has failed to support the original geology, and that you wish to withdraw your application for exploration assistance.

In accordance with this request, we shall consider your application as withdrawn.

If you wish to reopen this application at any time you may do so by submitting a new application, referring to this OME docket number, furnishing new bank letters, and any new information required to complete an application.

Thank you for your interest in the OME program.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc:
Director's Reading
Division
Econ. Geol. Reading
OME Reading
OME Docket
Mr. Kirkemo
Region III
Chron.
130
HKirkemo:mch 7-13-67
HK

23263

BONNEZ MINING COMPANY, LTD.
650 SEVENTEENTH STREET, SUITE 812
DENVER, COLORADO 80202

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 10 1967
INITIALS | CODE
120
~~110~~
~~120~~

July 6, 1967

Mr. Frank E. Johnson
Chief, Office of
Minerals Exploration
Department of Interior
Washington 25, D.C.

Subject: OME-6624

Dear Sir:

Development work to date has failed to substantiate original geology and it is our desire at this time to withdrawathe above captioned application.

Yours very truly,

C. A. Davlin

C. A. Davlin

CAD/c

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/1/67	Kirkemo	120
		110
		220
		120M

AIRMAIL

Memorandum MAY 3 1967

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6624 (Silver)
Bonnex Mining Company, Ltd.
Bonnex Property (formerly Bondholder)
Saguache County, Colorado

This application is referred to you for further consideration and probable field examination.

The remarks in our memorandum to you dated April 21, 1967, regarding possible denial without further processing were based essentially on the scarcity of an eligible metal in the assays submitted. Unless a property can qualify under the regulations on evidence that an eligible mineral or minerals would contribute the major dollar value of the target, or on favorable geological evidence, we are spending needlessly the applicant's time and ours in further consideration of the application. In this case we suggested that you seek Tom Steven's advice, and fortunately we did because there must be significant geological reasons to refer this application to you for a field examination. We had no plans to deny the application before checking further with you. Please relay this explanation to Mr. Steven and extend to him our thanks for his interest in the application and his remarks pertaining to the geological conditions.

In the event you recommend a contract, we suggest that you question some of the Applicant's estimated costs. For instance, $18,890 for personal services on a project of six months' duration is high. Are a new shop and supply building costing $685 and 150 hours of bulldozer work for road repairs necessary in order to complete the project in six months? Also, the metals sought in the assay work are not identified.

We look forward to your report and recommendations.

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
Mr. Kirkemo
130

FRANK E. JOHNSON

Frank E. Johnson

HKirkemo/gla 5-1-67

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/1/67	Kirkemo	120
		110
		220
		120M

MAY 2 1967

AIRMAIL

Bonnex Mining Company, Ltd.
650 - 17th Street, Suite 812
Denver, Colorado 80202

Re: OME-6624 (Silver)
Bonnex Mining Company, Ltd.
Bonnex Property (formerly Bondholder)
Saguache County, Colorado

Gentlemen:

The application for assistance in exploring the subject property has been reviewed by the Washington Office and referred to Mr. J. William Hasler, Field Officer, Region III, Office of Minerals Exploration, U. S. Geological Survey, Room 2284 - Building 25, Denver Federal Center, Denver, Colorado 80225.

The Regional Office will notify you if additional information concerning the application is needed.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

GLAult/a 5-1-67

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
OME Region III
Mr. Kirkemo

23263

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225
Office of Minerals Exploration

April 26, 1967

OFFICIAL COPY
O. M. E.
RECEIVED
APR 28 1967

Memorandum

To: Chief, OME

From: Field Officer, Region III

Subject: OME-6624 (Silver)
Bonnez Mining Company, Limited
Bonnez Property (Formerly Bondholder)
Saguache County, Colorado

This memorandum is in reply to yours dated April 21, 1967 pertaining to the subject property. Tom Steven has made a cursory review of it, but I will ask him to make a more extensive review. I do know that it is his feeling that the fractures, cracks, and faults in the immediate area are all mineralized to a certain degree and that the area in general is very similar to deposits in the Creede area. This particular area has been little prospected and consequently he feels that it would bear a certain amount of investigation. In fact, he stated yesterday, that he intends to make a study of the district this summer as a part of the heavy metals program.

It is my recommendation that you refer the application to the field that we might obtain additional assay data from the applicant and make more definite recommendations pertaining to the proposed exploration program after a field examination.

Transmitted herewith is a memorandum from Tom to me regarding the subject property. I might add that Tom has been in rather constant contact with Mr. John Jackson who is doing the actual mining. Mr. Jackson is a local miner and avails himself of all the geological assistance and utilizes as much geological data as is available in the area. Tom feels he is an "above the average" miner, and operator.

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosure: Memo from T.A. Steven

Office of Minerals Exploration

April 26, 1967

Memorandum

To: J. William Hasler

From: T. A. Steven

Subject: OME application from the Bonanza Mining Company

I was astounded to learn that the Washington office of OME considered the application from the Bonanza Mining Company an obvious turn-down. Quite to the contrary, I consider it a very intriguing exploration program. /?

Although I have seen only one of the veins in the Bondholder district on the ground and have not mapped the area in detail yet, I have been accumulating information and stray samples on the district for many years as it was obvious that my work in the central San Juan Mountains would eventually include it. I know that there is widespread mineralization within a highly fractured zone near the center of the resurgent part of the San Luis Peak caldera; I know that the type of mineralization is closely similar to that at Creede; I know that the isotopic composition of the lead is nearly identical with that at Creede; I know that the age of mineralization is approximately the same as that at Creede; and I know that none of the layer structures has yet been tested by the minor prospecting and exploration work done to date.

On the basis of what I know, I proposed a Heavy Metals study of the area to assess its apparent potential as a silver-lead-zinc producer; this study began last Fall when Len Schmitt visited the area briefly to collect preliminary samples for analysis and mineralogic work, and field work will start in earnest on June 1 when Len and I will start a detailed mapping and geochemical exploration program.

If this is an obvious turn-down, then I am pretty doggoned incompetent in my judgement of where the U. S. Geological Survey should be expending its energy and funds. /?

I certainly cannot make any judgement on the specific program proposed by the Bunner Mining Company, and won't be able to until I get on the ground and see how the structures they plan to explore fit into the general structural picture. But considering the generally favorable geologic environment they are working in, I think that a careful field examination is the absolute minimum attention the GMT should accord this application. 15

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/21/67	Kirkemo	

AIRMAIL

APR 21 1967

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6624 (Silver)
Bonnex Mining Company, Ltd.
Bonnex property (formerly Bondholder)
Saguache County, Colorado

We have reviewed this application and would deny it without further processing except for the note on Exhibit E and mention in the text that Tom Steven has information on the property. We suggest that you ask Mr. Steven to review the proposal to extend the Allara tunnel to the structure projected from the Woodmansee No. 1 tunnel, and to drift on the sheeted structure which crosses the Allara tunnel about 310 feet from the portal. His judgment of the ore potential and exploration possibilities of structures in these volcanics should not be overlooked in our review of this application.

Examination of assay reports in the application shows that only one of the twenty-eight samples assayed indicates a significant content of silver (85.6 ounces per ton - no width reported and location incomplete). The remainder of the assays show silver ranges from trace to 12.8 ounces, and gold from trace to 0.01 ounces per ton, and zinc and lead are present in varying amounts.

It appears possible that the sheeted zone on which the Applicant proposes a 200-foot drift may be cut off by the dacite dike shown on Exhibit E.

Please forward to us Mr. Steven's and your own views on this application as soon as possible so that we can decide whether to deny it with the information on hand, or to refer it to you for a field examination.

FRANK E. JOHNSON

Frank E. Johnson

cc: Director's Reading File
Division File
Econ. Geol. File
OME Docket
130
OME Reading File
Kirkemo
HKirkemo/mm (4/21/67)

23263

April 13, 1967

Bonnez Mining Company, Ltd.
650 17th Street
Suite 812
Denver, Colorado 80202

Subject: OME-6624

Gentlemen:

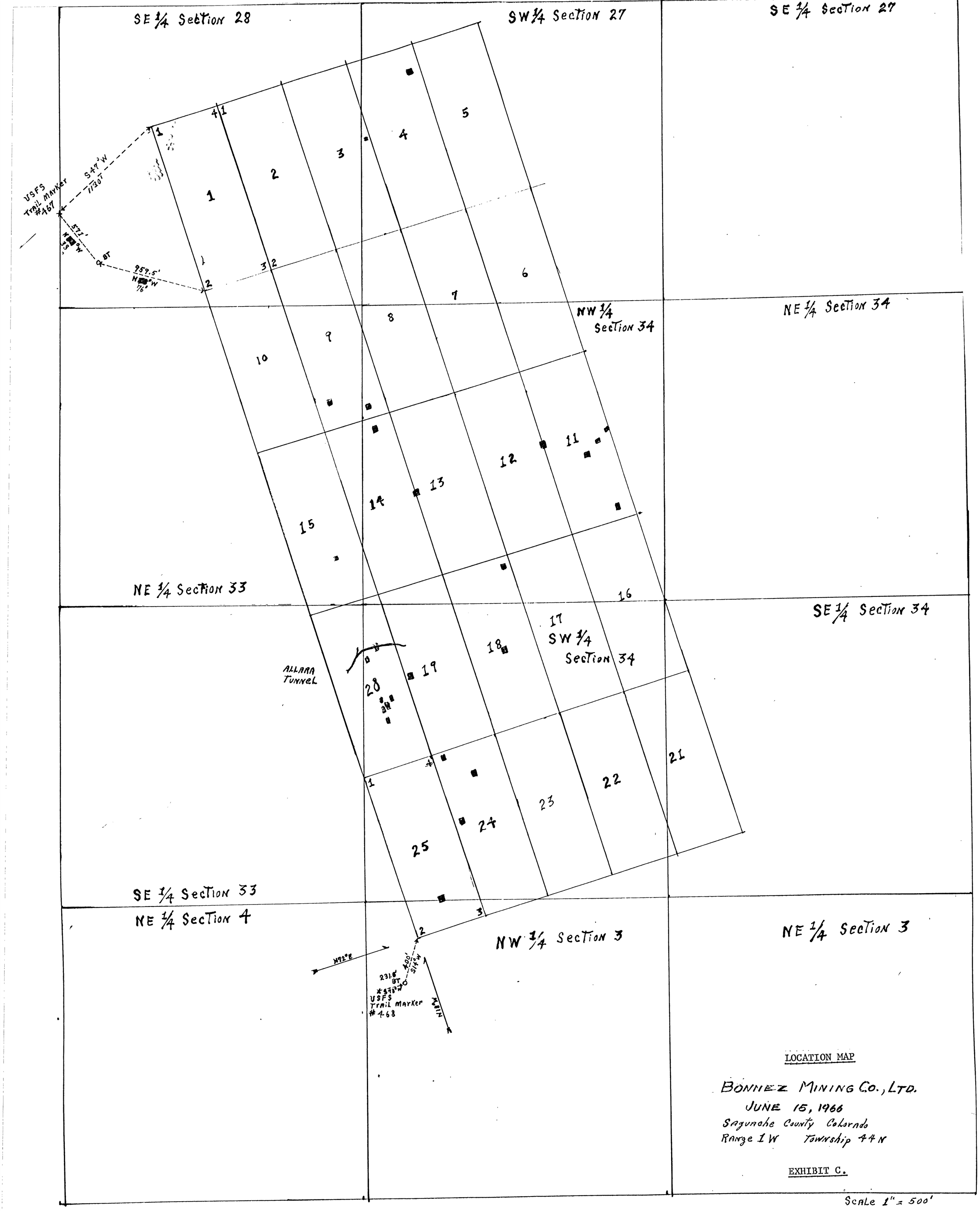
Your application for exploration assistance, dated April 6, 1967, submitted to our office at Denver, Colorado, has been assigned Docket No. OME-6624.

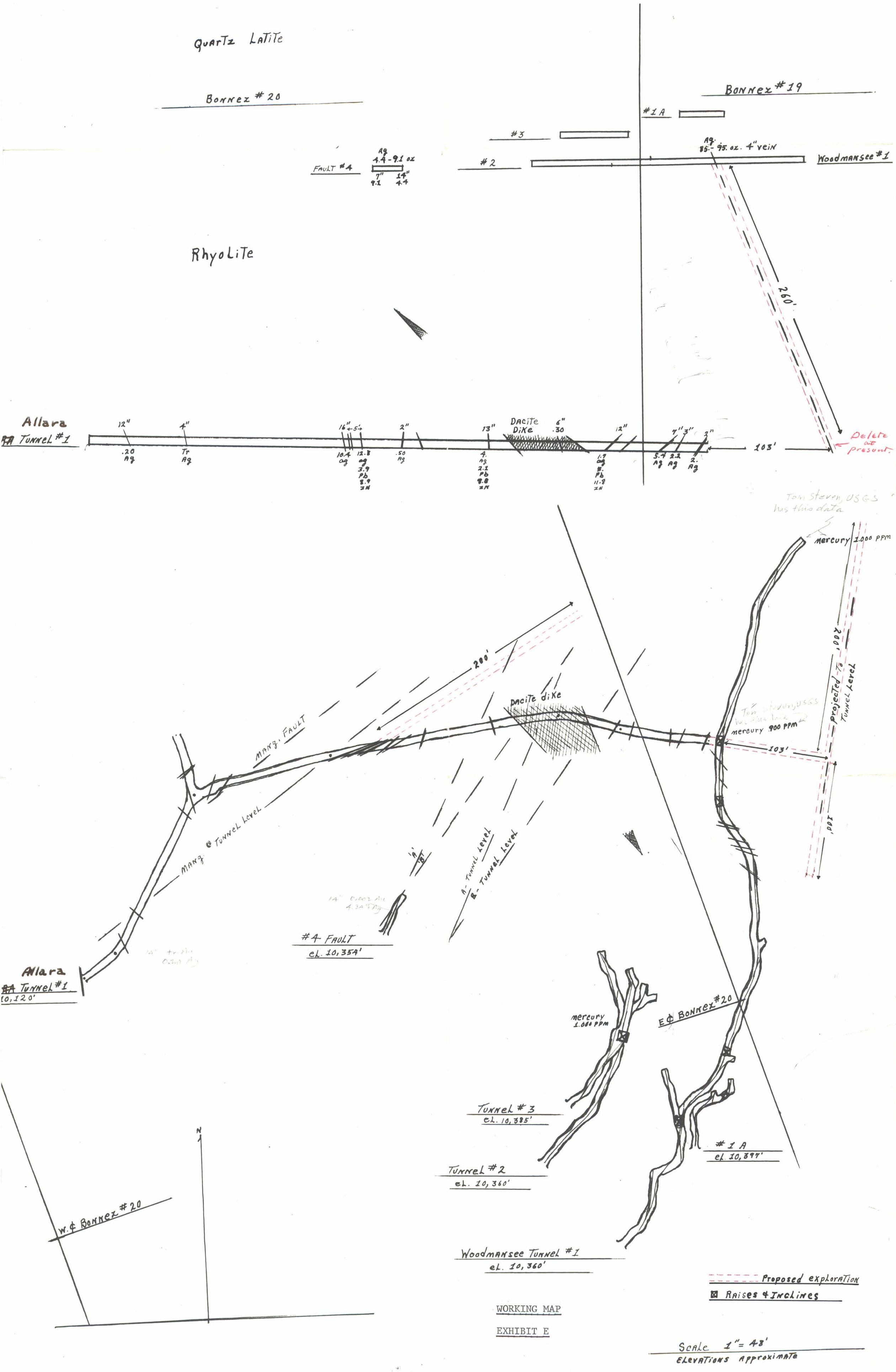
Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to Region III


SE 1/4 Section 28
SW 1/4 Section 27
SE 1/4 Section 27
NW 1/4 Section 34
NE 1/4 Section 34
NE 1/4 Section 33
SE 1/4 Section 34
SW 1/4 Section 34
ALLARA TUNNEL
SE 1/4 Section 33
NE 1/4 Section 4
NW 1/4 Section 3
NE 1/4 Section 3
USFS Trail Marker #467
S47°W
1130'
572'
N39°W
BT
959.5'
N78°W
N72°E
231.8'
BT
S71°W
400'
S14°W
USFS Trail Marker #468
N18°W
LOCATION MAP
BONNEZ MINING CO., LTD.
JUNE 15, 1966
Saguache County Colorado
Range 1 W Township 44 N
EXHIBIT C.
Scale 1" = 500'



WORKING MAP

EXHIBIT E

Scale 1" = 48'

Elevations approximate