MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. _____ Docket No. 6627

Application
- [ ] 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- [x] Withdrawn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
- [x] 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

April 21, 1967

Memorandum

To: Chief, OME

From: Field Officer, Region III

Subject: Neja Mining & Exploration Company (Silver)
Titusville, Columbia and Mighty Monarch Property
San Juan County, Colorado

Transmitted herewith is one copy of an application on the above-stated subject with a memorandum recommending the application be rejected by David J. Varnes. One copy of the application has been retained for the Region III Field Office files.

J. William Hasler
mc

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

MME Form 40
Jan. 65

Budget Bureau No. 42-R1
Approval expires Dec. 31, 1

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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.)*

NEJA MINING & EXPLORATION COMPANY
6807 Longview Road
Kansas City, Missouri 64134

or

Box 418
Silverton, Colorado

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6627
DATE RECEIVED: 4-24-67
REGION: III
DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED: Missouri

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Edward H. Frazee	6807 Longview Road, K. C. Mo.	President
Jacqueline Frazee	6807 Longview Road, K. C. Mo.	Sec. Treas.

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

ESTIMATED COST OF PROJECT: $ 316,690.00

PROPERTY NAME	LOCATION COUNTY	LOCATION STATE
Titusville	San Juan	Colorado
Columbia	San Juan	Colorado
Mighty Monarch	San Juan	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.

NEJA MINING & EXPLORATION COMPANY

4-11-67
DATED

Edward H. Frazee
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.

CHARLES E. GREY, GEOLOGIST
PETROLEUM, MINING, GROUND WATER
RARE MINERALS
716 FIRST NATIONAL BANK BLDG. EAST
PHONE 265-6451
ALBUQUERQUE, NEW MEXICO 87108

April 6, 1967

SUMMARY FOR OME LOAN REQUIREMENTS

PHASE I

Drilling:

Overburden (50"/Hole) (8.07/Ft. Av.)	$ 4035.00
Base Overburden to 400' (7.70/Ft. Av.) 3700'	28490.00
400'-800' (7.90/Ft. Av.) 3200'	25280.00
Supplemental Drilling 2550' (7.70/Ft. Av.)	19635.00
Cementing 100 hrs. @ 12.50	1250.00
Cement	500.00
Water Truck 6 months @ $175/Mo.	1050.00
50 miles/day at 10¢/mile (6 mo.)	900.00
Assays (3.00 Ag; 3.50 Au; 3.50 Cu; 3.00 Pb; 3.00 Zn for 1000 Assays) on 5' intervals	16000.00
Geologic Bid, Engineering Core Splitting, etc.	15300.00
Rebuilding warehouse Section for cores, Splitting, etc. (50'X50') 2500 sq. ft. 7.50/sq. ft.	18750.00
Repair old building for core housing and splitting	4000.00
Road construction	42000.00
Phase I	$177190.00

PHASE II

Drilling:

15000' (7.70 Av./Ft.)	$115500.00
Assays (1500' @ 16.00)	24000.00
Phase II	$139500.00

GRAND TOTAL $316,690.00

CHARLES E. GREY, GEOLOGIST
PETROLEUM, MINING, GROUND WATER
RARE MINERALS
2800 WISCONSIN, N.E.
PHONE 299-1909
ALBUQUERQUE, NEW MEXICO

RESUMÉ

EDUCATION:

B.S.	University of Kansas 1947 Major: Geology Joint Majors: Mathematics, Chemistry, Physics
M.S.	University of Kansas 1948 Major: Geology Minor: Chemistry
Ph.D.	University of Wisconsin 1951 Major: Geology Minor: Soils Chemistry & Physics

(In excess of 400 hours of Academic Training)

HONORARY SOCIETIES:

Sigma Xi, Sigma Gamma Epsilon

PROFESSIONAL SOCIETIES:

Geological Society of America; American Association of Petroleum Geologists; American Geophysical Union; American Institute of Mining and Engineering; American Paleontological Society; American Chemical Society; American Agronomist; Advancement of American Sciences.

PROFESSIONAL EXPERIENCE: (Teaching)

Instructor, University of Kansas 1947-1949; Instructor, University of Wisconsin 1949-1951; Associate Professor & Chairman of Department, Sul Ross State College, Alpine, Texas 1951-1955.

PROFESSIONAL EXPERIENCE: (Consulting)

(Geologic) From 1955 to present, for numerous companies - Dresser Industries; Permanente Cement (Kaiser); Wright, Clark & Senkel Oil Company; Great Eastern Mines, Inc.; Colorado Mines & Metals, Inc.; United Metals Syndicate; Rocket Petroleum Company; Rare Metals Company of New Mexico; Costilla Grant (Dolan & Clear, Attorneys); Neja Mining; Elena Mining; Seasonal Supply Company, ad infinitum. (Agricultural) Southern National Life Insurance Company; Soylaid; Manning Minerals; GraMac Fertilizer Company.

TECHNICAL WITNESS:

Security Exchange Commission, Fort Worth, Texas.

UNITED NATIONS REPRESENTATIVE:

Rare Minerals and Agricultural Analyst.

PUBLICATIONS:

A.A.P.G.; G.S.A.; S.G.E.; Sigma Xi

VITAL STATISTICS:

Born: Gonzales, Texas, May 21, 1924
Married, one child

UNITED NATIONS NATIONS UNIES

NEW YORK

CABLE ADDRESS · UNATIONS NEWYORK · ADRESSE TELEGRAPHIQUE

REFERENCE PRU 65 NARO

31 August 1965

Dear Dr. Grey,

This is to acknowledge your recent enquiry regarding the possibility of a Technical Assistance assignment with the United Nations. We have made a favourable review of your qualifications and although there are no current openings in your specialized field of expertise, we are placing you on our active roster for consideration against any forthcoming assignments.

May I close by saying that your interest in international service with the United Nations is greatly appreciated.

Yours sincerely,

William Houston Miller
Technical Assistance Recruitment Services
Office of Personnel

Dr. Charles E. Grey
2800 Wisconsin, N.E.
Albuquerque
New Mexico

COMPILATION REPORT COVERING THE NEJA MINING PROPERTIES ON KENDALL MOUNTAIN

By Charles Edwin Grey, Ph.D.
Geologist

Albuquerque, New Mexico
March, 1967

INTRODUCTION

The Titusvile and Columbia properties lie on Kendall Mountain from Kendall Peak under the crest of the mountain through Idaho Gulch trending into the southwest sector of Silverton, Colorado, in San Juan County. The property is readily accessible by a direct road from Silverton along the northwestern flank of Kendall Mountain.

Excellent roads have been developed to the top portal of the Titusvile workings just beneath Kendall Peak. The road is passable to trucks and cars ten months of the year. This property is not accessible during the winter months due to elevations in excess of twelve thousand feet.

It will be possible, if ore reserves are proven through drilling, to extend the Idaho adit from the Silverton level beneath the Titusvile workings via the Columbia drifts.

GEOLOGY

Section

Silverton Series - Burns Bulch Section (See Fig. 2)

A. Picayune Andesite - The oldest member of the Silverton Series at Burns Gulch has pronounced porphyritic texture with abundant crystals of laboradorite. The groundmass is colored dark green as a result of chloritization of the proxenes. Amygdaloidal vessicles are filled with chlorite and calcite.

B. Eureka Rhyolite - The mid-member of the series is a flow, with zones of brecciation. The breccia is fine-grained andesite with angular inclusions of gray rhyolite. The fluidal texture lies in a dense felsitic groundmass. Phenocrysts of orthoclase, plagioclase and biotite are common. There are no augite or hornblende crystals present.

C. Burns Latite - The youngest member in this area has abundant hornblende crystals which are highly decomposed. This latite is intermediate between trachyte and andesite, typical of most latites.

The age of the Silverton Series is Eocene with subsequent mineralization during Miocene.

Structure

According to Cross (5)*, there are two major types of veins,

(a) "Open" fissures with strong sulphide on the hanging wall of the vein, with lesser values extending into a heavily fractured footwall.

(b) Irregular veins consisting of parallel fractures in which the fractures are filled with heavily brecciated rhyolite and later had deposition by ore solutions.

* Refers to the reference number in the Bibliography

In the vicinity of the Titusvile - Columbia properties, the dominant direction of normal gravity or tensional faulting, with fissuring and ore emplantment, is North and Southeast. The faults are vertical. These faults are "text book examples" and where there are tentional openings such as these, there is ample room for flowage of ore implanting solutions.

The vein systems of the Titusvile vary in size from three inches to four feet with the Columbia being the largest and averaging over fifteen feet. This is the most likely ore host in the entire district.

Throughout the Silverton and La Plata districts, the major producers of ore have been fissure veins encased in walls of andesite and subsequently filled with quartz-ore solutions. The accepted downward gradation of ore, which runs from the surface downward is as follows:

Oxidized zone
Lead, zinc, silver zone
Lead-silver zone
Copper-silver zone
Copper, silver, gold zone
Copper zone
Pyrite zone

The Columbia is such a quartz-ore filled vein and contains galena, sphalerite, chalchopyrite, pyrite and small amounts of bornite and native silver. Only the upper lead, zinc and copper zone has been touched leaving the rest of the ore to be found in this large vein system.

According to Ransome (5), the oxidized zones of these veins occur to depths of over two hundred feet and can have secondary enrichment throughout

this depth. The staining along the very prominent course of the Titusvile - Columbia vein would suggest that this be the one important vein in the vicinity.

So far as is known, the influence of the country rock upon deposition of lode ores is very slight. Ores are emplanted from aqueous solutions with later wall rock alteration by metasomatism. This being the case, the structural characteristics are primarily responsible for ore deposits, especially where two known intersecting ore veins occur, for example: The intersection of the Titusvile and the Columbia. Numerous shallow deposits, very high in silver, have been prospected along the Titusvile and Columbia systems. These pits may be observed throughout the strike of both vein systems.

Reserves

After an intensive three week study of the records, assays and an "on the ground" survey, the following conclusions are manifest:

(a) Neja has 87,051 tons of proven blocked ore in units one through ten as labelled on the accompanying map. This ore lies in the Titusvile structure and has the average assays of: .18 oz. Au; 6.35 oz. Ag; 2.98% Pb; 3.98% Cu; 1.33% Zn. These samples were taken by Neja, Standard Metals Corporation and Reserve Minerals Mining Company and were assayed by Standard Metals.

Assays taken by the same groups show .24 oz Au; 9.09 oz. Ag; 9.71% Pb; 2.51% Cu; 3.46% Zn in the Columbia vein system.

The x-ray scan by Colorado School of Mines Research Foundation shows a range of five per cent to ten per cent copper in the Titusvile which compares favorably with the Standard Metals assays which range from 1.72% Cu through 5.35% Cu. (See Assay sheets)

(b) Neja has 74,307 tons of possible ore in units eleven and twelve. The dollar values (1905 Assay price value) on the map may be factored by 3.2. (This factor was obtained as an average price conversion from all available records to modern day ore values.)to obtain a relative value at today's market. The values range from $27.67, fifth through sixth levels, to $37.12 from the sixth through seventh levels (See Map). These values certainly represent medium grade milling ore.

(c) Probable ore may be proven by drilling the area from the 619 Portal back to the old Titusvile workings. The road system is well developed to allow such a drilling program. This test area could yield in excess of a million tons of millable ore down to the seventh level from 619 to the Titusvile Lower Portal if the vein is only six feet wide.

The ore samples, which I have taken, represent as much as a twenty foot vein width. I have computed your reserves on an eight foot vein which is approximately forty per cent of the actual reserve.

Conclusions and Recommendations

Not one engineer or geologist, to my knowledge, has considered this property unworthy of testing. All indicate it is in dire need of exploration and development. The Titusvile - Columbia has a potential,

provided the zonation of ore is correct within the district, of a depth of not less than four thousand feet of potential ore. This is by far the largest potential mineralized vein in the Silver Lake Region. It averages better than twenty feet in total width throughout and is exposed well over six miles in length. The intersection of the Columbia with the Titusvile as well as the Titusvile - Scranton intersection are the greatest primary potential areas for emplantment of high grade ore in the entire Silver Lake district.

These veins should also be explored several thousand feet in depth. The small proven block, which I mentioned in connection with the reserves represents less than five per cent of the total ground which should be explored for additional ore reserves within these vein systems. If the tenor of the ore persists and if the ore bodies can be proven, your company should have enough reserves to utilize a thousand tons a day upgrading mill for many years.

Lastly, in the event your ore does not prove as large a body as anticipated, I suggest that you contact other potential producers in this district, with the idea of putting your reserves together and committing same to a unitized mill in the Silverton Valley. This will reduce long haulages and future subsidization will not be necessary to help an over-burdened copper market. With additional producers committed to a mill here in the valley, the S.B.A. could approve money for a very large mill to accommodate the local mines. Naturally, any such loan would be subject to ore reserved within each of the various properties.

Respectfully submitted,

Charles E. Grey

Charles E. Grey, Ph.D.
Geologist

DICKINSON LABORATORIES, INC.

ASSAYERS — CHEMISTS — METALLURGISTS
PHONES 772-6621 & 772-3088 — P. O. BOX 10057
201 N. CLARK EL PASO, TEXAS 79991

Sept. 7, 1966.

Page #1

CERTIFICATE OF ASSAY

ASSAYED FOR: Neja Mining Company

Lab No. 664562

ADDRESS: Silverton, Colo.

MARKED: Ore samples received from Mr. Charles E. Grey

Gold Ozs. per ton	Silver Ozs. per ton	% Lead	% Copper	% Zinc	% ~~Max~~ Molybdenum	% Calcium Fluoride	Effective Units	% Manganese	% Iron
0.200	3.60	1.6	0.43	6.46	Trace	Idaho Vein-Dump sample			
0.040	3.80	8.6	0.74	1.62	Nil	4' wide vein on 50' level-20' from manway			
0.040	3.40	1.1	0.43	0.75	Nil	6' wide sample(with 6" high grade) 80' above portal-Columbia Vein			
0.040	9.60	3.8	3.34	1.29	0.02	Scranton City Drift-47" wide cut 120' into drift			

CHARGES _____

Geo R Dickinson ASSAYER

DICKINSON LABORATORIES, INC.

ASSAYERS — CHEMISTS — METALLURGISTS
PHONES 772-6621 & 772-3088 — P. O. BOX 10057
201 N. CLARK EL PASO, TEXAS 79991

Sept. 7, 1966

Page #2

CERTIFICATE OF ASSAY

ASSAYED FOR: Neja Mining Company

Lab No. 664562

ADDRESS: Silverton, Colo.

MARKED: Ore samples received from Mr. Charles E. Grey

Gold Ozs. per ton	Silver Ozs. per ton	% Lead	% Copper	% Zinc	% Silica Molybdenum	% Calcium Fluoride	Effective Units	% Manganese	% Iron
[illegible]	6.60	[illegible].5	2.86	0.37	Nil	Surface [illegible] from Scranton & Pyramid			
[illegible]	[illegible]	[illegible]	1.60	0.75	Nil	50' [illegible]-78" wide vein-[illegible] manway			
[illegible]	4.60	[illegible].8	1.95	3.37	Nil	Main lev[illegible]1-82" wide sample			
[illegible]	[illegible]	[illegible].4	2.30	0.[illegible]	[illegible]	50' leve[illegible]-37" wi[illegible] 25' N W [illegible] ladder			

CHARGES _____

[illegible] ASSAYER

STANDARD METALS CORPORATION

CERTIFICATE OF ASSAY

Kendall Pearl #2 — Silverton, Colorado — 7/27/

NO.	DESCRIPTION	Ozs. Per 2000 Lbs. Gold	Ozs. Per 2000 Lbs. Silver	Per Cent Lead	Per Cent Copper	Per Cent Zinc	Per Cent Iron	Per Cent Insoluble	08-23 Per Cent	08-24 Per Cent	Remarks
	Sample #1	.01	3.5	16.5	0.5	6.5			3.2	0.6	

PRINTED IN SILVERTON

James G. Cole
Assayer

STANDARD METALS CORPORATION

CERTIFICATE OF ASSAY

Silverton, Colorado 7/22/66

Naja Mining

NO.	DESCRIPTION	Ozs. Per 2000 Lbs. Gold	Ozs. Per 2000 Lbs. Silver	Per Cent Lead	Per Cent Copper	Per Cent Zinc	Per Cent Iron	Per Cent Insoluble	[illegible] Per Cent	[illegible] Per Cent	Remarks
	Lead Sample	0.015	4.4	13.6	0.7	0.4			2.4	0.24	
	Quartz " #1	0.07	9.1	0.9	2.3	1.9			0.2	0.1	
	" " #2	0.03	1.6	2.5	0.8	1.3			0.2	0.33	

PRINTED IN SILVERTON

James H. [illegible]
Assayer

STANDARD METALS CORPORATION

CERTIFICATE OF ASSAY

Silverton, Colorado 8/12/66

NESJA MINING

NO	DESCRIPTION	Ozs Per 2000 Lbs Gold	Silver	Per Cent Lead	Per Cent Copper	Per Cent Zinc	Per Cent Iron	Per Cent Insoluble	Per Cent	Per Cent	Remarks
	2958 - #1	0.015	4.2	2.1	1.2	0.9					
	59 - 2	0.30	7.5	1.0	1.7	0.3					
	60 - 3	0.02	5.9	1.6	1.9	0.5					
	61 - 4	0.035	5.6	1.2	1.1	0.3					
	62 - 5	0.08	3.1	1.1	1.3	0.4					
	63 - 6	0.06	5.3	0.8	1.4	0.6					
	64 - 7	0.01	2.3	0.5	2.7	0.7					
	65 - 8	0.05	5.1	0.5	2.1	0.3					
	66 - 9	0.02	4.0	1.2	1.1	0.9					

PRINTED IN SILVERTON

James L. Cole
Assayer

STANDARD METALS CORPORATION

CERTIFICATE OF ASSAY

Neja Mining — Silverton, Colorado — 7/22/66

NO.	DESCRIPTION	Ozs Per 2000 Lbs Gold	Ozs Per 2000 Lbs Silver	Per Cent Lead	Per Cent Copper	Per Cent Zinc	Per Cent Iron	Per Cent Insoluble	CU-PB Per Cent	CU-ZN Per Cent	Remarks
	G. O. Bird	0.08	13.2	3.8	3.5	1.0			0.9	0.1	

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Assayer

STANDARD METALS CORPORATION

CERTIFICATE OF ASSAY

Silverton, Colorado

8/17/66

Description	Ounces per 2000 Lbs Gold	Silver	Per Cent Lead	Per Cent Copper	Per Cent Zinc	Per Cent Iron	Per Cent Insoluble	Per Cent	Per Cent	Remarks
Neja Mining										
T.T. 50' Stockpile	0.33	3.5	5.1	0.8	0.2			0.2	0.06	

PRINTED IN SILVERTON

James D. Cole
Assayer

STANDARD METALS CORPORATION

CERTIFICATE OF ASSAY

Silverton, Colorado 8/18/66

NEJA MINING CO.

No.	DESCRIPTION	Ozs. Per 2000 Lbs. Gold	Ozs. Per 2000 Lbs. Silver	Per Cent Lead	Per Cent Copper	Per Cent Zinc	Per Cent Iron	Per Cent Insoluble	Oz-Au Per Cent	Oz-Ag Per Cent	Remarks
	T.T. 50' LEVEL	0.02	4.7	1.3	0.6	0.8			0.4	0.1	

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Assayer

STANDARD METALS CORPORATION

CERTIFICATE OF ASSAY

NEJA MINING CO. Silverton, Colorado 8/21/66

DESCRIPTION	Ozs. Per 2000 Lbs. Gold	Silver	Per Cent Lead	Per Cent Copper	Per Cent Zinc	Per Cent Iron	Per Cent Insoluble	Per Cent	Per Cent	Remarks
Conc. #1-C	0.04	2.6	3.9	2.2	1.2					
2-C	0.07	1.9	2.3	3.0	2.8					
3-C	0.18	28.1	16.5	4.5	3.3					
4-C	0.21	8.1	5.5	1.3	5.3					
5-C	0.07	2.7	1.6	0.6	1.2					
6-C	0.42	26.9	22.4	6.3	1.2					

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James H. Cole
Assayer

STANDARD METALS CORPORATION

CERTIFICATE OF ASSAY

Silverton, Colorado 7/9/66

NEJA MINING

NO	DESCRIPTION	Ozs Per 2000 Lbs Gold	Ozs Per 2000 Lbs Silver	Per Cent Lead	Per Cent Copper	Per Cent Zinc	Per Cent Iron	Per Cent Insoluble	Per Cent	Per Cent	Remarks
	TRAMWAY #1	0.15	17.0	2.1	0.6	0.3			0.8	0.10	
	TRAM BUCKET #1	0.06	9.3	2.3	1.2	0.3			0.5	0.09	
	S.H. LATE #1	0.90	6.0	0.6	7.1	0.35			0.2	0.07	

PRINTED IN SILVERTON

Assayer

BIBLIOGRAPHY

1. Burbank, W. S. (1933) Vein Systems of the Arrastre Basin and Regional Geologic Structure in the Silverton and Telluride Quadrangles, Colorado., Colorado Scientific Proceedings, Vol. 13, No. 5.

2. Cross, Whitman, Earnest Howe & Ransome, F. L., 1905, Description of the Silverton Quadrangle, U.S.G.S. Folio 120.

3. Cross, Whitman and Larson, E. S., 1935, A Brief Review of the Geology of the San Juan Region of Southwest Colorado, United States Geological Survey Bulletin 843.

4. Eckel, Edwin B., et al., 1949, Geology and Ore Deposits of the La Plata District, Colorado., Geological Survey Professional Paper 219.

5. Henderson, C. W., 1926, Mining in Colorado, United States Geological Survey Professional Paper.

6. King, William H. and Allsman, Paul T., 1950, Reconnaissance of Metal Mining in the San Juan Region, Ouray, San Juan and San Miguel Counties, Colorado, United States Bureau of Mines Information Circular 7554.

7. Sweet, Arthur N., 1949, Report on the Pride of the West Properties and Mill, unpublished report.

The Silverton Mining Company
The Idaho Branch

Date	Net Pounds	Oz. Gold	Oz.Silver	% Lead	% Dry Copper	Gross Value per ton	Net Value per ton
1903 August 4	22098	0.92	25.08	---	2.50	33.23	23.898
August 19	22712	0.40	33.80	---	1.70	26.96	16.332
August 26	20890	0.13	17.27	37.30	---	22.95	16.74
August 27	21938	0.48	31.12	---	1.60	27.47	16.65
Sept. 16	23048	0.38	30.42	6.55	1.25	26.08	17.87
Sept. 16	23266	0.12	18.83	41.80	---	26.28	22.28
Sept. 17	22890	0.45	29.36	6.55	1.30	26.96	18.72
October 3	22992	0.40	24.05	12.00	0.05	23.55	15.96
October 6	37168	0.25	15.18	---	---	13.33	6.83
October 16	24632	0.39	28.11	5.75	0.30	24.85	16.93
October 22	23542	0.10	24.85	47.35	---	32.36	28.86
October 29	30176	0.52	30.20	13.50	0.70	30.55	22.36
October 29	26652	0.38	31.51	17.90	0.85	30.11	22.74
Nov. 10	47896	0.40	30.00	12.90	1.02	27.63	19.27
Nov. 14	23740	0.35	37.13	13.35	1.70	31.75	23.22
Nov. 19	23404	0.14	21.68	36.20	---	26.31	21.31
Nov 30	48886	0.40	33.88	12.35	1.65	29.77	21.44
Dec. 16	48986	0.32	28.03	9.15	0.12	22.56	15.06
Dec. 21	14870	0.37	27.77	8.15	---	22.78	15.28
Dec. 23	48966	0.35	28.14	10.05	0.25	23.63	16.13
Dec. 24	18926	0.11	20.94	30.85	---	22.09	17.04
Dec. 26	8818	0.52	33.77	12.70	---	30.13	22.36

Date	Net Pounds	Oz.Gold	Oz.Silver	% Lead	% Dry Copper	Gross Value per Ton	Net Value per Ton
Dec. 31	51006	0.36	25.66	9.10	0.15	22.24	14.74
Jan. 5,1904	51224	0.34	28.83	10.25	0.25	24.32	16.82
Jan. 9	31608	0.35	28.08	12.00	---	24.46	16.96
Jan. 13	20434	0.38	28.01	10.30	0.25	25.01	17.51
Jan 13	12642	0.33	25.62	13.75	---	23.14	15.64
Jan. 15	46688	0.44	26.06	7.85	0.50	24.79	17.29
Jan. 25	50472	0.36	25.72	10.65	0.25	22.54	15.04
Feb. 2	50134	0.39	31.45	12.25	0.45	26.98	18.98
Feb. 12	51718	0.40	27.25	11.40	---	24.80	17.30
Feb. 23	50678	0.27	33.30	16.05	---	27.22	19.22
Feb. 26	49442	0.25	33.02	15.15	---	26.19	18.19
March 4	51006	0.26	30.32	10.30	---	23.41	15.91
March 5	26652	0.31	35.59	20.00	0.30	30.43	23.62
March 8	23484	0.34	31.91	22.15	0.15	29.46	22.48
March 11	51064	0.36	23.82	9.25	---	21.42	13.92
March 15	52688	0.41	19.30	10.25	---	20.11	12.61
March 21	51026	0.34	19.95	9.70	---	18.78	11.28
March 24	50016	0.33	19.69	9.15	---	18.29	10.79
April 5	51144	0.27	21.91	9.75	---	18.27	10.77
April 9	49758	0.27	23.12	10.05	---	18.83	11.33
April 16	48510	0.27	23.97	7.95	---	18.59	11.07
April 22	49244	0.27	21.41	10.50	---	18.20	10.70
May 9	49976	0.25	24.93	11.05	---	20.10	12.60
May 14	43362	0.23	25.68	14.05	---	20.66	13.16
May 21	39700	0.25	26.13	14.70	---	21.22	13.72
May 27	36348	0.45	19.87	9.80	---	20.73	14.73
May 28	20968	0.08	14.96	32.25	---	18.79	13.79

Date	Net Pounds	Oz.Gold	Oz. Silver	% Lead	% Dry Copper	Gross Value per Ton	Net Value per Ton
May 28	42194	0.24	26.60	14.45	---	21.38	13.88
June 1	17138	0.30	22.70	10.90	---	19.63	12.74
June 2	17334	0.46	21.35	9.80	---	21.60	17.05
June 2	42076	0.24	26.70	13.70	---	21.17	13.67
June 6	38222	0.39	20.91	10.70	---	20.36	16.69
June 7	55440	0.25	25.32	15.15	---	21.30	13.80
June 10	38560	0.31	15.68	12.10	---	16.48	12.30
June 10	30452	0.22	17.49	13.05	---	15.91	8.46
June 10	51026	0.25	27.93	13.25	---	22.05	14.55
June 14	35870	0.29	21.55	11.80	---	19.08	13.30
June 15	39504	0.40	16.93	9.40	---	18.07	13.84
June 17	52322	0.29	27.72	13.40	---	22.31	14.81
June 21	30380	0.48	17.61	7.35	---	19.68	15.72
June 24	34254	0.46	18.66	8.45	---	20.07	15.07
June 28	30952	0.40	19.76	7.50	---	19.49	14.40
June 29	27582	0.07	15.72	32.70	---	19.24	13.09
July 2	33258	0.50	19.20	5.65	---	20.99	15.27
July 2	32684	0.51	22.04	7.65	---	23.08	17.75
July 8	33390	0.65	16.82	5.75	---	22.56	18.09
July 9	38906	0.51	24.90	10.25	---	25.32	19.28
July 13	27998	0.34	27.23	23.30	---	32.56	25.06
July 13	31552	0.59	11.55	11.55	---	26.76	21.48
July 16	34452	0.72	20.50	9.40	---	26.56	22.11
July 27	17564	0.08	16.71	39.75	---	23.33	15.28
August 9	43164	0.44	30.56	23.05	---	30.76	23.26
August 19	20434	0.14	22.57	36.15	---	26.65	21.65
August 19	47738	0.30	30.83	22.30	---	27.74	20.24

Date	Net Pounds	Oz.Gold	Oz.Silver	% Lead	% Dry Copper	Gross Value per Ton	Net Value per Ton
August 31	47738	0.30	30.83	22.30	---	27.74	20.24
Sept. 19	21998	0.29	27.95	14.80	---	23.48	15.98
Sept. 26	19464	0.11	31.45	39.85	---	32.13	27.13
Nov. 5	19562	0.11	22.79	31.40	---	23.74	17.74

CHARLES E. GREY, GEOLOGIST
PETROLEUM, MINING, GROUND WATER
RARE MINERALS
716 FIRST NATIONAL BANK BLDG. EAST
PHONE 265-6451
ALBUQUERQUE, NEW MEXICO 87108

March 30, 1967

Neja Mining and Exploration Company
6807 Longview Road
Kansas City, Missouri

Gentlemen:

Following is the information needed for the drilling program to be established under the O.M.E. for phase 1 on the Titusville-Columbia property owned by Neja Mining and Exploration Company.

Phase I

Station 1. Located 100' SE of Vein
(a) Drill at 75° and intersect Vein at 400' (425' of drilling)
(b) Drill at 85° and intersect Vein at 750' (760' of drilling)

Station 2. Located 150' SE of Vein
(a) Drill at 70° and intersect Vein at 400' (425' of drilling)
(b) Drill at 80° and intersect Vein at 750' (750' of drilling)

Station 3. Located 200' SE of Vein
(a) Drill at 60° and intersect Vein at 300' (360' of drilling)
(b) Drill at 75° and intersect vein at 600' (640' of drilling)

Station 4. Located 250' SE of Vein
(a) Drill at 60° and intersect Vein at 400' (470' of drilling)
(b) Drill at 75° and intersect Vein at 800' (830' of drilling)

Station 5. Located 200' S of Vein
(a) Drill at 60° and intersect Vein at 300' (360' of drilling)
(b) Drill at 75° and intersect Vein at 600' (630' of drilling)

Station 6. Located 200' SE of Titusville-Columbia intersection
(a) Drill at 65° and intersect Vein at 400' (440' of drilling)
(b) Drill at 75° and intersect Vein at 750' (780' of drilling)

Station 7. Located 150' N of Vein
(a) Drill at 70° and intersect Vein at 400' (420' of drilling)
(b) Drill at 80° and intersect Vein at 750' (770' of drilling)

Station 8. Located 150' SW of Vein
Drill at 70° and intersect Vein at 400' (430' of drilling)

Station 9. Located 150' SW of Vein
Drill at 65° and intersect Vein at 300' (330' of drilling)

Station 10. Located 200' E of Vein intersection
Drill at 70° and intersect Vein at 600' (630' of drilling)

Total footage to be drilled in phase I is 9450'.

Should phase I drilling be positive in the development of ore bodies, then phase II will utilize the same relative station areas and try for vein intersections at deeper zones, not to exceed 15,000 feet of drilling.

Respectfully submitted,

Charles E. Grey

CHARLES E. GREY, Ph.D

CEG/dc

Stewart Drilling

TELEPHONE CR 5-6026 P. O. BOX 61

EXPLORATION DRILLING — WATER WELLS — DIAMOND CORING

CANON CITY, COLORADO

March 12,1967

Charles E. Gray
2800 Winconsin N. E.
Albuquerque, New Mexico

Dear Sir:

We submit the following schedule of charges as our estimate for core drilling on Kendall Mountain area.

Moving in cost-men and equitment-Lump sum		$600.00
Drilling cost as follows:		
Overburden	per linear foot (BX)	7.75
Surface to 400 ft.	per linear foot (BX)	7.05
500 ft. to 1000 ft.	per linear foot (BX)	7.70
for NX add $1.00 per foot.		
Plug bit drilling will be $1.00 less per foot than above scheduled prices.		
Reaming	per linear foot.	$3.75
Cementing (plus materials)	per hour.	12.50
Standby requested	per hour	12.00
Lost casing will be charged at our cost at the job site.		

Water truck , if needed would be charged at our cost of truck rental rate of $175.00 per month, and 10¢ per mile. If a driver other than the drill helper is needed, his time will be charged to your account.

This schedule is subject to a physical inspection of the property. Think you for calling on us.

Very Truly yours

Stewart Drilling

Ed Stewart

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS - ENGINEERS - GEOLOGISTS

15865 W. 5th. Ave.
Golden, Colorado 80401

Phones: ALpine 5-9244
ALpine 5-0855

General Offices and Plant
1624 Pioneer Road P. O. Box 58
SALT LAKE CITY 10, UTAH
HUnter 7-7595

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

March 13, 1967

Charles E. Grey - Geologist
Neja Mining Company
2800 Wisconsin, N. E.
Albuquerque, New Mexico

Dear Mr. Grey:

We estimate the following charges for drilling on your property near Silverton, Colorado.

			NX	BX
1.	Mobilization of men and equipment			$ 400.00
2.	Drilling overburden - per foot			8.40
3.	Bedrock to 250 feet	per linear foot	$ 7.60	6.90
	250 to 500 feet	per linear foot	8.00	7.60
	500 to 750 feet	per linear foot		8.10
	750 to 1000 feet	per linear foot		8.90
4.	Reaming, if required	per linear foot		4.20
5.	Cementing, plus cost of cement or cement substitutes - per hour			12.50
6.	Standby time as requested - per hour			11.00
7.	Lost casing to be charged at our cost at job site.			

Water truck would be charged at our cost of truck rental of $ 190.00 per month, plus .12¢ per mile and drivers wages and payroll taxes.

This price schedule is subject to our inspection of the property. When your plans are firm, please advise us so we can meet with you on the property to properly valuate the drilling costs.

Thank you for your consideration of our Company.

Very truly yours,

BOYLES BROS. DRILLING COMPANY

George E. Lensch

George E. Lensch, District Manager

GEL/bf

CHARLES E. GREY, GEOLOGIST
PETROLEUM, MINING, GROUND WATER
RARE MINERALS
716 FIRST NATIONAL BANK BLDG. EAST
PHONE 265-6451
ALBUQUERQUE, NEW MEXICO 87108

March 29, 1967

Neja Mining and Exploration Company
6807 Longview Road
Kansas City, Missouri

Gentlemen:

In connection with the bids of application to the Government for an O.M.E. loan on the Titusville-Columbia property at Silverton, Colorado, I submit the following as the money to be expended on the geological consulting and sample cutting.

Geological Service @ $75.00 per day (Government allowable) and per diem of $120.00 per day (Government allowable) living, transportation costs for 6 months (20 days/mth) $11,400.00

Sample cutter, experienced in hand rock mining in the Eureka District, to split cores and samples. Services @ $150/week. Must be supervised by the company geologist. 6 months or 26 weeks..... $3,900.00

This bid is submitted for term of drilling contract of 6 months and proportional amounts will be added or deducted should the term of the contract exceed or be less than 6 months.

Respectfully submitted,

Charles E. Grey

CHARLES E. GREY, Ph. D.

CEG/dc

ROAD CONSTRUCTION
BIDS

LLANO STONE COMPANY
15606 Boca Raton
Llano, California

Neja Mining and Exploration Company
P. O. Box 418
Silverton, Colorado

Gentlemen:

We wish to submit the following bid for construction of a pioneer road, 12 feet in width, on your Kendall Mountain properties designated as Titusville, Columbia and associated claims.

The road is to be constructed in such manner as to permit transportation and passage of drilling equipment and materials to conform with the O.M.E. application submitted on your behalf by Dr. Charles E. Grey of Albuquerque, New Mexico.

To construct pioneer road at, upon and around Kendall Mountain, per application of Dr. Charles E. Grey, a distance of 4,200 feet (1,400 feet movable by dozer and ripper -- 2,800 feet requires drilling and shooting) . . . . . $42,000.00.

We will be prepared to start construction of this roadway within ten days after receipt of notice and our anticipated completion time is thirty working days. This bid is to be considered firm for a period of thirty days from date of approval of your O.M.E. application.

Very truly yours,

LLANO STONE COMPANY

By L. N. Jones
President

March 23, 1967

WESTERN ENGINEERING COMPANY
Eighth and Blair Streets
Silverton, Colorado

March 23, 1967

Neja Mining & Exploration Company
P. O. Box 418
Silverton, Colorado

Gentlemen:

Your plans for the construction of 4,200 feet of 12-foot roadway for ingress and egress on Kendall Mountain leases, known as Titusville and others, in accordance with your OME application prepared by Dr. Charles E. Grey, have been reviewed and we wish to submit the following bid, conditioned upon the road being suitable for use in hauling equipment and supplies for your drilling project.

For furnishing all labor, material, equipment, and supplies for construction of 4,200 feet of road, per OME plans, including drilling, shooting and moving unclassified material: $10.50 per lineal foot. . . . . $44,100.00. Estimated completion time: Sixty (60) calendar days.

We hope you will favor us with this work. Please advise.

Very truly yours,

WESTERN ENGINEERING COMPANY

By R. T. Shelan

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/6/67	Kirkemo	120
		110
		220

November 6, 1967

Memorandum

To: The File

From: Chief, Office of Minerals Exploration

Subject: OME-6627 (Silver)
Neja Mining & Exploration Company
Titusville and Adjacent Properties
San Juan County, Colorado

The Applicant has not replied to our letter of September 29, 1967, Accordingly, the subject docket is referred to the inactive file and the application considered as having been withdrawn.

Frank E. Johnson

Frank E. Johnson

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

BLong/bsl 11/6/67

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/29	Peterson	120
9/29/67	Kirkham	120
		110
11/24	[illegible]	220
10/2	[illegible]	120M

AIRMAIL

Mr. Edward H. Frazee
President
Neja Mining & Exploration Company
Box 418
Silverton, Colorado 81433

Re: OME-6627 (Silver)
Neja Mining & Exploration Company
Titusville and Adjacent Properties
San Juan County, Colorado

Dear Mr. Frazee:

On August 29, 1967 we requested additional information which is necessary for the processing of your application.

If you need additional time to prepare this information, please let us know. If we do not receive a reply from you within thirty days from the date of this letter, we must assume that you are no longer interested in proceeding with your application and we shall consider it as having been withdrawn.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

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

BLong/bsl 9/29/67

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/29/67	RM Smith	120
		110
		220
		120M

AIRMAIL

Mr. Edward H. Frazee
President
Neja Mining & Exploration Company
Box 418
Silverton, Colorado 81433

Re: OME-6627 (Silver)
Neja Mining & Exploration Company
Titusville and Adjacent Properties
San Juan County, Colorado

Dear Mr. Frazee:

We have not received a reply to our letter of July 7, 1967. Will you please inform us of your plans regarding the subject application. If you have decided not to pursue it further, please advise us.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

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

GLAult/a 8-29-67

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/7/67	Kirkham	120
		110
7/7	Cole	220
		120M

Air Mail

JUL 7 1967

Mr. Edward H. Frazee
President
Neja Mining & Exploration Company
Box 418
Silverton, Colorado 81433

Re: OME-6627 (silver)
Neja Mining & Exploration Company
Titusville and Adjacent Properties
San Juan County, Colorado

Dear Mr. Frazee:

Thank you for your letter dated June 16, 1967, regarding exploration of the Titusville and adjacent properties, and enclosing copies of letters from two banks denying your request for a loan. You mentioned that geologic and claim maps would be forwarded within the next few days. We have not received these, and we wonder whether you overlooked sending them.

Your application to date lacks much of the information necessary to meet the requirements of the program as outlined in our letter to you dated April 27, 1967. We referred then to the seven items listed on the back of the application form for your guidance in preparing an application. A copy of the application form is enclosed in the event you did not retain a copy when you submitted the first draft of the application.

Unless all of the information requested is furnished, we cannot complete our review of the application. Instructions on what is required are complete. Material already submitted need not be duplicated.

OME Docket

23263

We cannot comment on your proposed plans until the necessary supporting information has been submitted. Any changes in the original proposal must be supported fully in accordance with requirements of the OME program.

Sincerely yours,

FRANK E. JOHNSON

F. E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading
Division
Econ. Geol. Reading
OME Reading
OME Docket
Mr. Kirkemo
130
Region III

HKirkemo:mch 7-7-67

NEJA MINING AND EXPLORATION COMPANY

6807 LONGVIEW ROAD • KANSAS CITY, MISSOURI 64134 • TELEPHONE: 816-763-6405

MINING OFFICE: P.O. BOX 418 SILVERTON, COLORADO

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 23 1967

INITIALS	CODE
gla	120
JEJ	110
HR	120

June 16, 1967

Mr. F.E. Johnson
Chief Office of Minerals Exploration
U.S. Dept. of the Interior
Washington 25, D.C.

Subject: OME-6627 (Silver)
Neja Mining & Exploration Company
Titusville and Adjacent Properties
San Juan County, Colorado

Dear Mr. Johnson:

At the time of writing this, I have not received your letter in which you ask if we wish to continue on the OME Silver Loan. It has, however, been read to me over the phone from Kansas City, and we are sorry we have been so long in furnishing the items you requested.

We are enclosing herein two letters from banks, as per your request, and will forward the maps (Geologic and Claim) within the next few days. If there is anything besides this which you will need or that we have failed to supply, please inform me by return mail at Box 418, Silverton, Colorado, 81433.

Because of the road expense involved, we would like to submit an addendum to our previous proposal suggesting a drift through either the Mighty Monarch Property or the Idaho Property for a distance of some 4000 ft. of back over us and assuring a year-round operation some one-quarter of a mile outside the city limits of Silverton.

If this program is something the government would participate in, would you inform me as to what would be needed from us in the way of bids, maps, drilling data, etc.

The Idaho assays, which you have in your possession have proven the ore to be at the Silverton elevation. Assays along the vein from the portal of the Titusville at 13,900 ft. to the portal of the Columbia, some two miles away, at an elevation of 12,000 ft. have proven ore bodies at those elevations. I believe all of this information has been furnished previously; I am merely pointing out that ore bodies do exist at all elevations on Kendall Mountain and merely requires a drift to intersect them.

Hoping to hear from you regarding this matter in the very near future, I am,

Very truly yours,

NEJA MINING & EXPLORATION COMPANY

E.H. Frazee
President

THE FIRST NATIONAL BANK DURANGO, COLORADO
81301

HAROLD L. LEWIS

June 8, 1967

Neja Mining and Exploration Company
Silverton,
Colorado

Attention: Mr. Ed Frazee

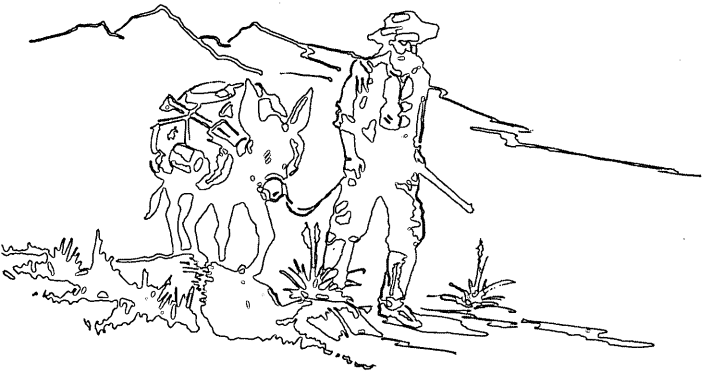
Gentlemen:

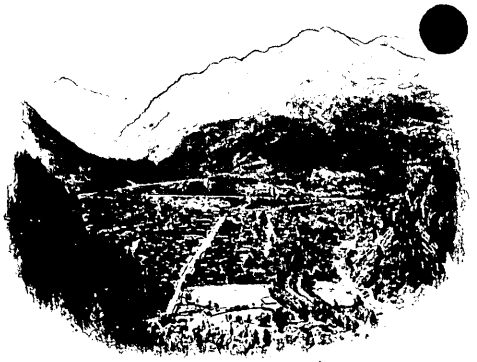
Thank you for the opportunity of considering the loan. However, at this time, or in the foreseeable future, we will be unable to make a loan of this size.

Sincerely yours,

Harold L. Lewis
Vice President

HLL:ma





THE CITIZENS STATE BANK

OF OURAY

OURAY · COLORADO

June 5, 1967

Mr. Ed Frazee, President
Neja Mining Co.
Silverton, Colorado

Dear Mr. Frazee:

We appreciate your contacting this bank in reference to the loan of $177,000. for your corporation.

Because of the size of the loan, the nature of the security, and the industry, it is necessary that we have to deny your loan application.

We are sorry that we are unable to help you in this matter, however, if we can do something for you in the future, please feel free to call upon us.

Sincerely,

David G. Wood

David G. Wood
Vice President

DGW:m

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/1/67	Kirkemo	120
		110
	Col	220
		120M

JUN 1 1967

AIRMAIL

Mr. Edward H. Frazee
President
Neja Mining & Exploration Company
6807 Longview Road
Kansas City, Missouri 64134

Re: OME-6627 (Silver)
Neja Mining & Exploration Company
Titusville and Adjacent Properties
San Juan County, Colorado

Dear Mr. Frazee:

On April 27, 1967, we wrote you outlining certain information which is necessary to continue the processing of your application. To date, we have not had a reply to our letter. Will you please inform us of your plans regarding the application. If you have decided not to pursue it further, will you please so inform us.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

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

GLAult/a 6-1-67

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/27/67	Kirbamo	120
		110
1/27	col	220
		120M

AIRMAIL

Mr. Edward H. Frazee
President
Neja Mining & Exploration Company
6807 Longview Road
Kansas City, Missouri 64134

APR 27 1967

Re: OME-6627 (Silver)
Neja Mining & Exploration Company
Titusville and Adjacent Properties
San Juan County, Colorado

Dear Mr. Frazee:

Preliminary review of your application for financial assistance to explore the subject properties shows that you either did not have a true copy of an OME application form or you overlooked the request for information on the back of the form. Inasmuch as the material submitted is incomplete, we cannot offer many comments on your proposal.

We enclose three copies of the application form and direct your attention to the seven items for which information must be received to complete the application. Material already submitted need not be duplicated, but it is necessary to submit copies of correspondence to and from banks to establish your financial eligibility, copies of documents showing your rights in the land, Lien and Subordination Agreements as necessary (six copies of MME Form 52 are enclosed), a claim map, a geologic map showing strikes and dips of veins and faults, identity of the wall rocks, and the locations, widths and identification of samples cut and assayed.

The estimated cost for exploration drilling of $81,140.00 as compared to other expenses totalling $96,050.00 as proposed in Phase I is not an acceptable distribution of costs for an OME exploration project. The expense of road work and building repair and construction should not exceed 15 to 20 percent of the total cost of an OME contract. Per diem allowance for a consultant is $16.00 per day, and vehicle allowance is 12 cents per mile.

How do you propose to finance your share of the costs in the event of a contract?

23263

We will hold your application until the information necessary to complete it is received. This request for information should not be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson

Enclosures

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

HKirkemo/gla 4-27-67

April 24, 1967

Mr. Edward H. Frazee President,
Neja Mining & Exploration Company
6807 Longview Road
Kansas City, Missouri 64100

Subject: OME-6627

Dear Mr. Frazee:

Your application for exploration assistance, dated April 11, 1967, submitted to our office at Denver, Colorado, has been assigned Docket No. OME-6627.

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

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225

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April 20, 1967

Memorandum

To: J. W. Hasler

From: D. J. Varnes

Subject: Evaluation of Application for Financial Assistance in Minerals Exploration submitted 4/11/67 by Neja Mining Company for Titusville and adjacent properties, San Juan County, Colorado

I recommend that this application be rejected, but the applicant should be advised to obtain competent geologic and mining engineering aid with a view toward submitting a good second proposal.

The present application simply does not furnish any basis for expending $316,690. The consultant's report is in high-blown style and carelessly prepared. It is erroneous in description of the physical situation, unsound regarding the recommended drilling program, and very incomplete regarding coherent presentation, on a map, of tonnage, tenor, and location of ore reserves and how the estimates were obtained. I wonder if some basic data are missing from this copy of the proposal. There is little evidence that the vein is vertical, as the consultant states, in the stretch proposed for exploration. I would judge, and have so shown on my published map, that the vein dips generally steeply to the northeast. The northeastward dip of the vein in the main Titusville mine is certainly demonstrated by the disposition of workings at deeper levels. Yet, the consultant recommends drilling sites located 100 to 250 feet off the vein to the southwest (in the footwall as I see it), with long holes inclined variously from 60° to 85° toward the vein. Such holes have little chance of ever encountering the vein.

The statement regarding length (over 6 miles) is grossly untrue, and that concerning average width of mineralization (better than twenty feet) is probably overly generous.

Nevertheless, the area offers promise. Had the consultant read my report he would have seen that the area he wants to drill is exactly

one of the 4 areas I recommended for future prospecting. So, work should be done but not as presented in this application.

Enclosures

INSTRUCTIONS FOR USE

1. Identify Agency of Addressee
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Standard Form No. 65
November 1961
neral Services Administration
General Regulation No. 27

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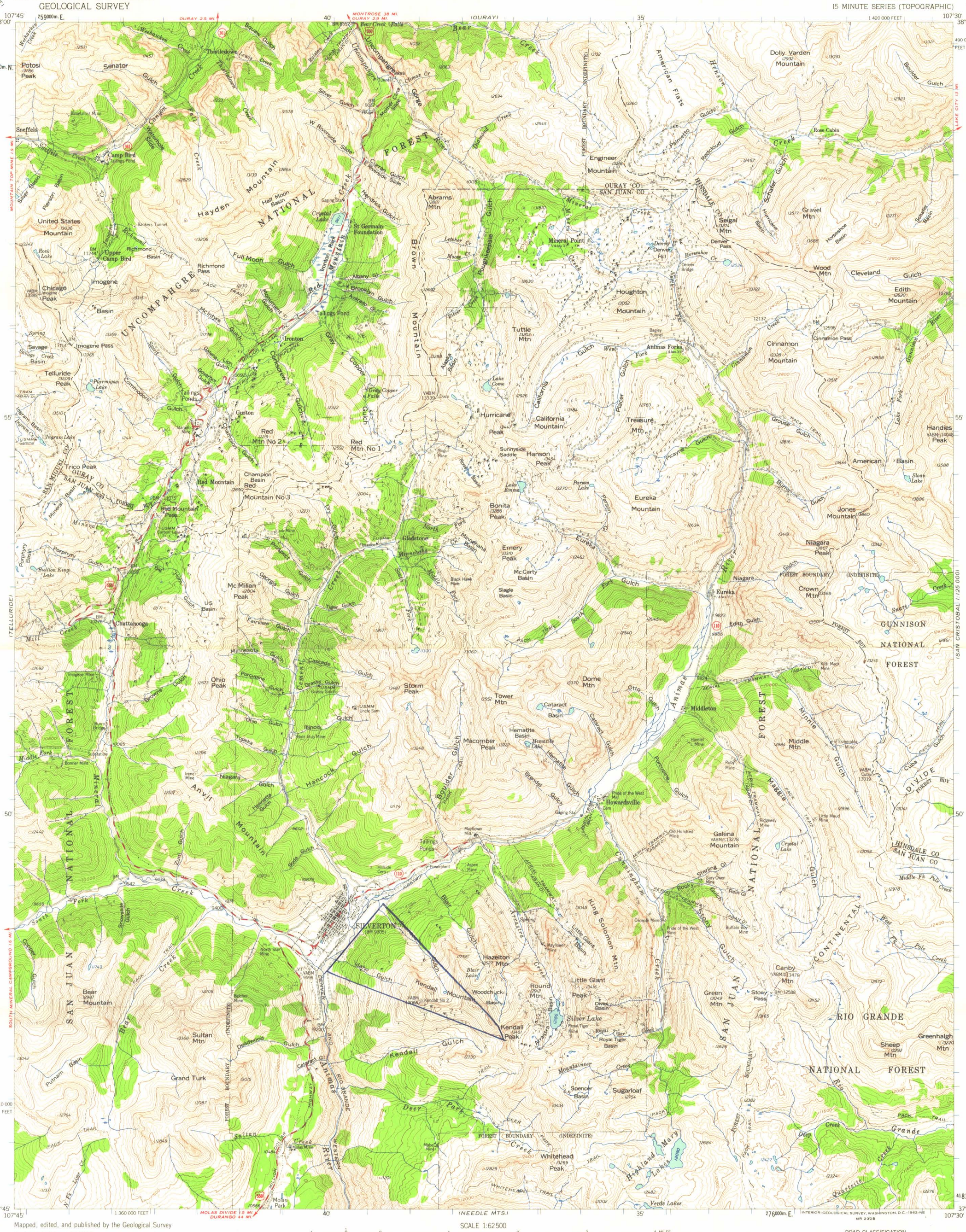
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SILVERTON QUADRANGLE
COLORADO
15 MINUTE SERIES (TOPOGRAPHIC)



Mapped, edited, and published by the Geological Survey

Control by USGS and USC&GS

Compiled in 1959 from 1:24 000-scale maps of Handies Peak, Ironton, Silverton, and Howardsville 7.5 minute quadrangles, surveyed 1955

Topography from aerial photographs by photogrammetric methods
Aerial photographs taken 1951

Polyconic projection. 1927 North American datum
10,000-foot grid based on Colorado coordinate system, south zone
1000-meter Universal Transverse Mercator grid ticks, zone 13, shown in blue

All land lines omitted because of alleged fraud or defects in the surveys

TRUE NORTH
MAGNETIC NORTH
14°
APPROXIMATE MEAN DECLINATION, 1955

SCALE 1:62 500

1 ½ 0 1 2 3 4 MILES

3000 0 3000 6000 9000 12000 15000 18000 21000 FEET

1 .5 0 1 2 3 4 5 KILOMETERS

CONTOUR INTERVAL 80 FEET
DATUM IS MEAN SEA LEVEL

THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS
FOR SALE BY U.S. GEOLOGICAL SURVEY, DENVER 25, COLORADO OR WASHINGTON 25, D.C.
A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

COLORADO
QUADRANGLE LOCATION

ROAD CLASSIFICATION
Medium-duty — Light-duty
Unimproved dirt
U.S. Route — State Route

This area also covered by 1:24 000-scale maps of Handies Peak, Ironton, Silverton, and Howardsville 7.5 minute quadrangles, surveyed 1955

SILVERTON, COLO.
N3745—W10730/15

1955

ELEVATIONS SHOWN ARE FROM U.S.G.S. MAPS AND ARE ABOUT 10 ft. HIGHER THAN OLD MINE MAPS.

DUE TO THE VERY LIMITED ACCESS TO OLD WORKINGS FOR TRANSIT SURVEY, 7-LEVEL PROJECTION IS SHOWN AS ACCURATELY AS THE AVAILABLE INFORMATION WILL PERMIT.

I HERE BY CERTIFY THAT THIS PLAT IS A TRUE REPRESENTATION OF A SURVEY MADE UNDER MY DIRECTION & SUPERVISION IN 1966

Jerome F Gamba

JEROME F GAMBA PE & LS 5933

JEROME F. GAMBA REGISTERED 5933 P.E. & L.S. STATE OF COLORADO

NEJA MINING COMPANY		
SILVERTON AREA		
DATE: 11-8-66 DRAWN: FKB SCALE: 1"=200'	ELDORADO ENGINEERING	PROJECT 6658