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

DMEA
Date Rec'd.
FEB 8 1956
BUREAU OF MINES
Denver, Colorado
AUG 3 1951
AUG 1951
BUREAU OF MINES
DENVER, COLORADO

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

Re: Docket DMA 1144X
Lead, Zinc, Copper
King Lease, Inc.
Yellow Rose Vein
Ouray, Colorado

Dear Mr. East:

A telephone conversation between Mr. Norman Ebbley, General Manager of King Lease, Inc. and Mr. S. Power Warren of Production Expansion Division resulted in a request from Mr. Ebbley for an "on the ground" check by a Defense Minerals Administration Field Team. This request was made because several items set forth in his company's exploration application, which will be discussed later, were not described in sufficient detail to allow approval.

There will accompany this letter the following:

1. Application Form DMA 100 with covering letter dated May 5, 1951.

2. Application Form DMA 100 with covering letter dated May 28, 1951.

3. DMA Form 103 with covering letter dated June 20, 1951.

4. Copy of Agreement of Lease between the Camp Bird Limited Corporation and King Lease, Inc.

5. Copy of an agreement between the Camp Bird Tunnel, Mining and Transportation Co., and the King Lease, Inc.

Study of this application brought to light several points which must be clarified before an exploration contract can be drawn up for signature. No doubt your staff will be able to determine answers to the following questions by an "on the ground" inspection.

(a) The lease, item 4 in the above tabulation, covers only the claims; Yellow Rose, Declaration, and Agnes.

(b) By referring to the claim map attached to item 1, in above tabulation it will be seen that some right to the ore that may be found under the following claims, must be established; Chief Deposit, Millionaire, U. S. Depository, and Sunflower.

(c) Again referring to the claim map in item 1 in above tabulation, it will be seen that some right to the ore that may be found under the fraction between the end lines of the Millionaire and U. S. Depository claims, must be established.

(d) On page 3 of application DMA 100 dated May 1, 1951, it will be noted that it is contemplated to do 4000 feet of drifting and 2400 feet of raising.

It is also contemplated that after three or four months mining could be started.

This will necessitate close inspection to determine what is exploration and what is development. It is possible that as soon as the company can start mining, the exploration period will cease.

(e) Mr. Ebbley advised that the Landlord's Subordination Agreement for the claims owned by Camp Bird Limited of London England could be obtained easily because this company maintained an agent in the United States. Other subordination agreements will be provided when arrangements to explore the other claims have been completed. This will also apply to the claim fraction unless King Lease, Inc. stakes it and thereby becomes owner.

(f) The following comments will refer to data furnished May 28, 1951 on DMA Form 103, numbered as shown.

23. (a) Under "Performance of the work", paragraph 4, of the Exploration Project Contract it calls attention to the necessity of Government approval of all contracts. Variable small labor contracts could possibly be treated as wages.

23. (b) It is doubtful if any part of the manager's salary is applicable to this exploration work, certainly not one half of it, although it could possibly be worked out on a proportionate basis, between the present operation now going on and this exploration work.

23. (c, d) Repairs to a trestle for a waste dump should be checked as well as repairing 5800 feet of haulage track. It must be kept in mind that these facilities are being used today in the present operation and any money spent for this rehabilitation work should be charged only in proportion, to the usefulness of the facility to exploration. The items of $6,000.00 and $13,624.00 respectively, might be reduced considerably on a proportionate basis and not hamper exploration work.

23. (e) Equipment - to be purchased. As listed in the DMA Form 103.

2 Mine car loaders	$ 6,360
5 CF-89 Drifters @ $975 each	4,875
10 Stopers R 104 @ $750 each	7,500
2 3½ Air Complete and Wings	360

1 J.B.B.W. Jumbo	$ 3,430
2 Boiler fuel pumps 3 x 2 x 3	300
	$22,825

Several questions arise from a study of the above list such as:

Why two mine car loaders?
If five drifters are necessary why only one Jumbo?
Why 10 stopers?

There are probably answers to these questions which an inspection by a DMA Field Team will get and evaluate from "on the job" evidence.

23. (e) Equipment - expendable supplies (Permanently Installed)

1000	ft. Air Hose @ $117.50 per 100 ft.	$ 1,175.00
6400	ft. 4" Air Line @ $1.30 per ft. (Victolic)	8,320.00
4000	ft. 1" Pipe and couplings	800.00
8000	ft. Rail 120 tons @ $80.00	9,600.00
800	Splice bars @ $2.00	1,600.00
2400	Pounds track bolts	624.00
9400	Pounds track spikes	1,880.00
	Track ties 4 x 4 x 3 and switches	1,068.00
	6'x 8'x 20 sills under track ties	2,080.00
800	Rail Bonds	520.00
6400	ft. Vent line and fans	8,708.00
4000	ft. Trolley Wire (2-0)	1,042.00
100	Trolley Hangers	153.00
	Spare Machine Parts	1,500.00
8	tons drill Steel	2,747.00
35000	drill bits @ $0.39	13,650.00
	Powder	29,560.00
	Miscellaneous	10,792.00
		$95,819.00

Some of the items listed above will go into the mine as permanent facilities but it is doubtful if there will be much value in them unless good ore is found by the exploration work, and it is mined. This refers to such items as track and pipe. The other items such as powder, steel and bits will be expended.

However, no matter which of the above two categories the equipment falls, under, it cannot be used at a rate faster than the rate at which the exploration drifts and raises are advancing. It is anticipated that the project will consume fourteen months hence these supplies will not be needed all at once.

The encountering of mineable ore in three or four months, as is anticipated in the application, at least indicates the possibility of the exploration work ceasing and should cause careful consideration, before all this list is approved at once.

It is suggested that when administering a project of this size quarterly visits of some representative of the Government should be made. These visits could be made in the last month of any quarter so that requirements for the oncoming quarter could be reviewed and approved in advance, if found in order. In other words, the whole project could be approved quarterly, subject to approval of budgets submitted by the applicant.

The prices in these lists should be given close study because, for example, it is set down in the above equipment list that 8000 feet of rail that weighs 120 tons. This means 90 pound rail which is certainly not exploration rail.

23. (f) The rental for this locomotive and cars seems reasonable and the DMA Field Team can verify, when they determine the size of the equipment and its condition.

23. (g, h, i,) More detail would be helpful and again the DMA Field Team could make this determination.

23. (j) This item should first be analyzed on the basis of work now being done and its proportion to the anticipated work. It then should be analyzed from the standpoint of paragraph 10 of the Exploration Project Contract, headed "Allowable costs of the project".

Please consider this letter simply as a compilation of the results of our study of this application that are passed on to you and your staff to aid them in coming to a fair estimate of the expenditures justified.

Sincerely yours,

C O Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

APPROVED:

Tom Lyon

Chairman, Coordinating Committee

Member, Bureau of Mines

Member, Geological Survey

REGIONAL DIRECTOR'S
OFFICE
REGION IV
AUG 8 1951
BUREAU OF MINES
DENVER, COLORADO

THE KING LEASE, INC.
OURAY, COLORADO

August 4, 1951

Mr. Jack East,
Mining Division,
U. S. Bureau of Mines,
224 New Customhouse,
Denver, Colorado.

Dear Mr. East:

On July 25, I received a telephone call from Pie Warren from Washington, stating that he was working on a contract for a government loan for King Lease, Inc., and was planning on mailing it to us for approval.

I mentioned that this was the first we had heard from the Defense Minerals Administration since filing the application, and receiving the Docket Number, and if possible, we would like to have a representative from the Bureau of Mines or the Geological Survey call on us at the mine, as there were several problems involved that should be discussed carefully before we would be ready to accept the government loan. He agreed with this and said that he would take the matter up with you in the near future.

It appears at present that the Board of Directors of King Lease may be changed somewhat at the next stockholders meeting to be held sometime next month. Accordingly, it is believed advisable to hold our application in abeyance until you hear further from us.

Thanking you for your interest in this matter, I remain,

Yours very truly,

The King Lease, Inc.,

Norman Ebbley

Norman Ebbley,
Manager

NE:lh

CC: James Groves

NE

THE KING LEASE, INC.
OURAY, COLORADO

June 20, 1951

Mr. Otto Herres,
Chairman, Lead and Zinc Branch
Defense Minerals Administration
Washington 25, D. C.

Re: Docket DMA-1144 X

Dear Mr. Herres:

The additional information you requested in your letter of May 16, 1951, pertaining to our original application on Form MF-100 is added in Form MF-103.

As you suggested in your letter, we have included in Form MF-103 only that information which was not contained in our original application.

I trust this information is now complete and that we will be favored by hearing from you in the near future.

Very truly yours,

THE KING LEASE, INC.

Norman Ebbley

Norman Ebbley,
General Manager

NE:lh
Encls.

The King Lease, Inc.
Ouray, Colorado.

Form MF-103
(April 1951)

Budget Bureau No. 42-R1035
Approval expires 6-30-51

U. S. DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950	DO NOT FILL IN THIS BLOCK Docket No. Dma-1144X Date Received 6/25/51 Participation

THE KING LEASE, INC.
OURAY,
COLORADO

Name and address of applicant

Date 5/28/51

FILL IN THIS BLOCK

Date of Application 5/28/51 Estimated Cost $300,000.

Mineral or Metal Lead, zinc, copper, silver and some gold Percentage of Government Participation 50%

Location of Mine 4 miles southwest of Ouray, Colorado

Date of filing MF-100 May 28, 1951 DMA Docket Number, if available. 1144X.

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

THE APPLICANT

Questions 1-2-3-4-5-6 answered on Form MF-100

(7) Copy of lease attached.

(8) Working capital and operating statement attached.

(9) Applicant prepared to furnish one-half total cost.

(10-22) Answered in Form DMA-100 filed May 5, 1951

THE REQUIREMENTS AND COSTS.

				Cost per Foot
(23)	(a)	Drifts--4 miners day 3 muckers night Raises 8 miners 2 nippers	Average contract Price $15. per foot	$15.00
	(b)	Manager 1/2 salary $350/Mo.		0.76
		2 Shifters salary 325/Mo.		1.42
	(c)	(See attached sheet)	118,719	18.55
	(f)	Rental locomotive & mine cars	2,800.	0.44
	(g)	Rental generator, air compressor, etc.	3,500.	0.55
	(h)	Hand tools $500.		0.08
	(i)	Cost power, water utilities, etc	5,040. 14 mo	0.79
	(j)	General overhead, shop, office maintainance		11.26
		Total Estimated cost per ft.		$ 48.85

(24) <u>Time Schedule</u>.

8 Raises will be driven at 500 ft. intervals to a height of 300 feet. Expected advance per month for each raise 50 feet.

2 Headings (Drift) will be driven simultaneously. Expected advance per month for drifting 260 feet.

Total estimated time to complete raises and drift 14 months. Money expected to be spent $312,640.

(8)

WORKI G CAPITAL--CASH
May 31, 1951

Bank Deposits		
Citizens State Bank	7,823.24	
Denver National Bank	25,000.00	
U. S. Bank of Grand Junction,	113,297.47	
Gunnison Bank & Trust Company	25,000.00	
First Nat'l. Bank of Grand Junction	60,000.00	
Total cash in banks		231,120.71
Accounts Receivable		
April Production (est.)	53,714.25	
Less Advances	36,100.00	
Bal. April	17,614.25	
May Production (est.)	54,487.33	
Total Accounts Receivable		72,101.58
Inventories		
Mine and Mill		17,467.69
		320,689.98
Accounts Payable		
Accounts Payable	14,438.03	
Payrolls Payable	7,388.62	
Total Accounts Payable		21,862.65
Estimated Working Capital, 5/31/51		298,863.33

(23)

(c)	Repairing Trestle for Waste Dump	$ 6,000.
(d)	Repairing Main haulage track, portal to 5800'	13,624.
(e)	Equipment to be purchased:	
2	Mine car loaders	6,360.
5	CF 89 Drifters @ 975.ea	4,875.
10	Stopers R104 @750. ea	7,500.
1000'	Air Hose @ 117.50 C Ft.	1,175
6400'	4" Air Line @ $1.30 per ft. (Victolic)	8,320.
8000'	Rail 120 tons @ $80.	9,600.
2	3½" Air Complete and Wings	360.
800	Splice bars @ $2. per pair	1,600.
2400	Pounds track bolts	624.
9400	Pounds track spikes	1,880.
6400'	Vent Line and Fans	8,708.
	Track Switches	300.
1	J B B W Jumbo	3,430
4000'	Trolley Wire (240)	1,042
100	Trolley Hangers	153.
800	Rail Bonds	520.
4000'	1" Pipe with Couplings	800.
2	Boiler feed pumps 3 x 2 x 3	300.
	Machine Parts (Spare)	1,500.
	Track ties 4 x 4 x 36"	768.
	6 x 8 x 20 sills under track ties	2,080.
	Drill Steel, 8 tons	2,747.
	Bits, 35,000 @ .39	13,650.
	Powder	29,560.
		107,927.
	Miscellaneous additional 10%	10,792.
	Total under (e)	118,719.

This addition wrong. Should be $118644

MIN LEASE, INC.
OPERATING STATEMENT.
TOTAL FOR YEAR, 1951
January through May

				C.P.I.
TONS MILLED	20,734.26			
GROSS SMELTER RETURNS			407,862.04	19.6246
LESS: Hauling		20,034.47		.9639
Treatment		54,760.55		2.6347
Sampling		161.24		.0078
Freight		11,605.21		.5584
Production Tax		3,215.27		.1547
Royalty		44,212.17		2.1272
TOTAL EXPENSES			133,998.32	6.4466
NET RETURNS			273,893.22	13.1779
EXPENSES				
MINING				
Wages-Supervision	2,314.46			.1114
Wages-Labor	15,836.41			.7649
Supplies	12,226.97			.5902
Engineering & Exp.	306.30			.0147
Repairs, Lbr. Mtl.	146.00			.0070
Pipe and Track	676.95			.0326
Main Tunnel Haul	2,646.23			.1273
Contract Mining 3 Lev	----			----
Contract Mining, Other	----			----
Depreciation	591.28			.0284
TOTAL MINING EXPENSE		34,734.60		1.6736
MAINTENANCE & DEVELOPMENT				
Wages-Supervision	4,656.20			.2240
Wages-Labor	42,341.19			2.0416
Supplies	24,480.17			1.1782
Repairs, Lbr. Mtl.	102.32			.0049
Engineering & Exp.	609.87			.0293
Pipe & Track	538.64			.0259
Main Tunnel Haul	1,179.68			.0874
Depreciation	1,655.27			.0796
TOTAL DEVELOPMENT EXPENSE		76,202.35		
MILLING				
Wage-Supervision	3,250.00			.1564
Wage-Labor	9,474.37			.4558
Supplies	20,666.36			.9943
Repairs	8,955.16			.4319
Tailings Pond	599.68			.0289
Metallurgy, etc.	975.65			.0469
Depreciation	152.70			.0073
TOTAL MILLING EXPENSE		44,073.92		2.1025
GENERAL OFFICE EXPENSES		24,419.74		1.1749
TOTAL EXPENSE			179,430.61	8.6354
NET ESTIMATED PROFIT			94,412.61	4.5425

50815

KING LEASE, INC.,
Ouray, Colo.

May 28, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 5 - 1951
Executive Secretary

Defense Minerals Administration,
Washington 25, D. C.

Gentlemen:

Pursuant to Defense Minerals Administration Order No. M)-7, issued April 17, 1951, King Lease, Inc., operators of Camp Bird Mine in Ouray, Colorado, are herewith applying for a serialization order to expedite our operations in obtaining priorities and allocations of scarce materials.

Attached are 4 completed and signed copies of Form MF-100, giving all general technical data requested in the form.

Very truly yours,

KING LEASE, INC.,

Norman Ebbley

Norman Ebbley,
General Manager.

NE:lh
Enclosures.

King Lease, Inc., Camp Bird Mine
Ouray, Colorado.

Form MF-100
(March 1951)

Form Approved
Budget Bureau No. 42-R1026

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

GENERAL TECHNICAL DATA	Not to be filled in by applicant
FOR USE UNDER THE	Docket No. DMA 1144X
DEFENSE PRODUCTION ACT Of 1950	Date Received MS- 0563

The King Lease, Inc. (Camp Bird Mine)
Ouray,
Colorado

Name and Address of Applicant
(Street, City, Zone, State)

Date May 28, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act.

Submit four (4) signed copies of the form and accompanying pap papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. When a question is inapplicable it should be so stated on the form. Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE). If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

King Lease, Inc., Camp Bird Mine
Ouray, Colorado.

GENERAL TECHNICAL DATA

(1) Materials Produced:
(a) The chief mine products, in order of importance, are: zinc, lead, silver, gold and copper. These are produced in separate lead and zinc concentrates.

(b) There are no byproducts

(2) The name of the mine is the Camp Bird. Since 1925 it has been operated continuously by King Lease, Inc.
(a) Linear Feet of shafts- 3,505 feet
(b) Linear feet of drifts and crosscuts-101,710 feet
(c) Linear feet of tunnels and adits-17,080 feet
(d) Linear feet of other mine openings-1,902 feet winzes, 26,648 feet raises.

The mine is not flooded as all the workings are above the main haulage level.

There are no pumping problems.

The mine is producing over 4,500 tons of ore per month.

(3) Location.

(a) Six miles southwest of Ouray, Colorado.
(b) Mt. Sneffles Mining District.
(c) Township 43, North, Range 8 West of the New Mexico, Meridian.
(d) Ouray County, Colorado.

(4) (a) The property is now being operated by King Lease, Inc., as lessee

(5) The mine has been in production for over 55 years.

(6) Experience of Operators.

(a) King Lease, Inc. has operated the Camp Bird Mine continuously since 1925.

(b) Experience records of the general manager and a few of the staff are as follows:

King Lease Inc., Camp Bird Mine
Ouray, Colorado.

NORMAN EBBLEY-GENERAL MANAGER

(Registered Mining Engineer, State of Colorado)

March 1949 to Present	General Manager of King Lease, Inc. Operators of the Camp Bird Mine, Ouray, Colorado. Operate a gold, silver, lead, zinc, copper mine, and concentrating plant.
Nov. 1/47 to Mar. 1949	Mining Engineer for the U. S. Geological Survey in charge of Exploration on the Colorado Plateau Project for Uranium-Vanadium ore reserves. Supervised subordinate professional, clerical or sub-professional personnel. Directly responsible for all phases of the diamond drilling exploration, and formulated general and detailed procedure for carrying out all phases of the field exploration. P-5 Rating. U.S.G.S. Grand Junction, Colorado.
June 15/47 to Oct. 25/47	In charge of general exploration work at Leadville, Colorado. My associates and myself were endeavoring to Unwater some old mining properties under lease.
May 1945 to June 1947	Project Engineer (P-4 Rating) for the U.S. Bureau of Mines at Leadville, Colorado. Sampling of old properties, investigating old mine shafts and workings, supervision of diamond and churn drilling operations, retimbering and maintenance of Leadville Drainage Tunnel, report writing and mapping. U. S. Bureau of Mines New-custom House, Denver, Colorado.
Mar. 1942 to May 1945	Project Engineer (P-4 Rating) for the U. S. Bureau of Mines in Alaska. Work similar to above, U. S. Bureau of Mines, Washington, D. C.
November 1938 to Mar. 1942	Mining Engineer for the Day Mining intrests Wallace, Idaho. Geolegist, Mining Engineer and construction foreman for the various properties owned and operated by Day Mines, Inc. In charge of general outside construction road and sewer construction etc. In charge of diamond drill procedure and underground mapping and geology.

Experience record of Norman Ebbley continued:

June 1937 to Nov. 1938	Personal leasing operations. Acquired leases on various mining properties and subleting to operators at Wallace, Idaho.
Sept. 1936 to Nov. 1937 (Overlap)	Had mining drift contract for 3,000 feet of tunnel from Callahan Lead-Zinc Company on their Vulcan Tunnel Job at Wallace, Idaho. Completed the job in November 1937- in full charge of all the work.
June 1936- September 1936	Engineer in charge of drilling and estimating on placer gold prospects for the Day Mines, Inc. at Wallace, Idaho.
March 1934-June 1936	Mining Engineer and geologist for the Nabesna Mining Corporation, Nabesna, Alaska. In charge of diamond drilling operation and mine shifter. Did all engineering work and geology as required.
Year 1936- Year 1936 (Overlap)	County Engineer for Shoshone County, Idaho. Elective Job.
November 1933- March 1934	Flood Control Engineer for the U. S. Goverment at Wallace, Idaho.

Although starting college in 1926, I stayed out three years and worked to complete my courses. During those years and the summers when I was on vacation, I worked as a common Laborer in the mines and for the county (Shoshone, Idaho) driving trucks, and tractors. I have during that period served as a qualified blacksmith, electric-arc and acetylene welder, explosive engineer, "Cat" and shovel operator. Since 1934 I have been continously in charge of men on responsible jobs.

Franklin A. Bell - Assistant Superintendent

March 1950- Present	The King Lease, Inc., Camp Bird Mine, Ouray, Colorado. General Superintendent and Secretary in charge of mill, office, and shop. Director in King Lease.
January 1936-1938	The King Lease Inc., Ouray, Colorado. Mine Sampler and Shifter.
January 1939-1942	The King Lease Inc., Ouray, Colorado. Mill Mechanic, Mill Operator.
January 1943-1944	The King Lease Inc., Ouray, Colorado. Mill Superintendent.
January 1945-1947	The King Lease Inc., Ouray, Colorado. General Superintendent and Vice President. In charge of mining and Milling operations under Charles Bell Sr. President and General Manager.
January 1947-1949	General Superintendent and Vice President in charge of surface and milling operation. The King Lease, Inc.
June 1934-1936	Gardner Denver Company, Quincy, Illinois. Repair and service engineer on pumps rock drills and compressers. Heat Treat Department (Steel Analysis)
1928-1933	Colorado School of Mines, Golden, Colorado, Metallurigical Engineering.

King Lease, Inc., Camp Bird Mine
Ouray, Colorado.

Roy Hall - Chief Engineer

June 1949	King Lease, Inc., Ouray, Colorado, Engineer
September 1948-April 1949	Idarado Mining Company, Ouray, Colorado, Engineer and Shift Boss
March 1948-July 1948	Sociedad Empresa DeEstano de Araca, Viloco, Bolivia, Mill Superintendent.
May 1947-February 1948	Pride of West Operations, Silverton, Colorado, Mine Manager
February 1946-April 1947	W. C. Kruger and Associates, Santa Fe, New Mexico, Surveyor and Field Engineer
August 1945-January 1946	New Mexico Public Service Commission, Santa Fe, New Mexico, Safety Engineer
July 1945	G. D. Macy, Santa Fe, New Mexico, Civil Engineer
July 1944-June 1945	W. C. Kruger, Los Alamos, New Mexico, Surveyor and Field Engineer
April 1944-June 1944	James H. Russell, Santa Fe, New Mexico, Mining Engineer
September 1942-February 1944	U. S. Navy, Ensign
April 1942-August 1942	Chas. De Leuw & Company, Sioux Ordinance Depot, Sidney Nebraska, Ass't Engineer.
October 1941-March 1942	Banner Mining Company, Lordsburg, New Mexico, Mine and Safety Engineer.
June 1938-July 1941	Compania Minera De Oruro, Oruro, Bolivia, Mine Manager
March 1937-May 1938	Sociedad Empresa De Estano de Araca, Viloco, Bolivia, Cheif Engineer
January 1937-February 1937	Nevada Consolidated Copper Corporation Hurley, New Mexico, Flotation Operator.
October 1936-December 1936	New Mexico State Highway Department Santa Fe, New Mexico, Surveyor.

King Lease, Inc. Camp Bird, Mine
Ouray, Colorado.

Experience record of Roy Hall, Continued:

April 1936-May 1936	United States Vanadium Corporation, Uravan, Colorado, Surveyor
June 1935-September 1935	H. N. D. Land Company, Chama, New Mexico Surveyor.

Graduate of Colorado School of Mines, 1935, E. M. Degree.

King Lease, Inc., Camp Bird Mine
Ouray, Colorado

Lin D. Barry-Mine Foreman

March 1950- Present	King Lease, Inc., Camp Bird Mine, Ouray, Colorado Mine Foreman in charge of underground operations.
March 1949 - March 1950	Private Engineering Practice Vernal, Utah. Surveying, Mining Sand Asphalt Construction of Small Irrigation Project.
August 1940 - March 1949	Barber Oil Company, New York City. Manager of Gilsonite Mining Operation at Bonanza, Utah. In complete charge of underground and surface operations.
November 1939 -August 1940	Barber Oil Company, New York City Engineer of Gilsonite Mining Operation. This period was spent as understudy of retiring manager.
October 1938-October 1939	Clear Creek Consolidated Mining & Milling Company, Idaho Springs, Colorado. Mine Superintendent in charge of underground operations of Gold Mining Operation.
September 1937-August 1938	Thunder Mountain Mining & Milling Co., Stibnite, Idaho. Superintendent of surface and milling operations in complete charge of small gold mine.
October 1936-September 1937	Associate in Mines Contracting Company, Wallace Idaho. In charge of tunnel contract driving 3,000 feet of tunnel for Callahan Lead-zinc Company at their Vulcan Tunnel, Wallace, Idaho.
May 1935-August 1936	American Smelting and Refining Company, c/o Federal Mng. & Smelting Company, Wallace, Idaho. Superintendent of Azurite Mine, Mazama, Washington, in charge of underground and surface development work prior to production operations.
September 1933-May 1935	Jack Waite Mine, Duthie, Idaho American Smelting and Refining Company, c/o Federal Mining and Smelting Company, Wallace, Idaho, Miner, Timberman, Mill Repairman, Mill Operator, Assayer. Lead, Silver, Zinc Mine.

King Lease, Inc., Camp Bird Mine,
Ouray, Colorado

Experience record of Lin D. Barry, continued.

1928 - 1933	Attending College of Mines, University of Arizona, Tucson. 1928-1930 University of Washington, Seattle. 1931-1933 Graduated June 1933 B.S. Mining and Geology.
1926 - 1927	Phelps-Dodge Corporation, Nacozari, Sonora, Mexico Supervisor at Pilares Mine in charge of waste filling of cut and fill stopes with slushers. Timber salvage of abandoned square set stopes.
1925 - 1926	Placer Mining. Burnt River District. Baker, Oregon.
1924 - 1925	Chontales Mines Ltd., Chontales, Nicaragua, Cyanide Plant, Shift Boss Gold Mining Operation.
1923-1924	Iron Dyke Copper Mine, Homestead, Oregon. Mucker, Trammer, Timberman Helper.

Other experience includes working in logging and lumbering operations of North West Washington, and clerical work for Northern Pacific Railroad, Seattle, Washington.

I am a graduate engineer with a degree from the University of Washington in Mining and Geology.

(7) History

(a) The original discovery on what is now the property of the Camp Bird, Ltd. was made in 1877 in Imogene Basin by prospectors in search of high silver-bearing ore. There is evidence that they were aware of the existence of a certain amount of gold in the ore, but the high cost of packing it to Silverton by mule, together with the high smelter rates, did not permit handling of the $20 per ton rock. During 1896 a small group of men was engaged in development and Thomas F. Walsh, who was passing by, stopped to examine some quartz on the dump. Assays confirmed his suspicions that the quartz was high-grade gold ore. He quietly acquired title to all claims in the area by direct purchase, or by the purchase of tax title and then developed the property into a large and very profitable mining operation. By 1913 the Camp Bird, Ltd., an English corporation, the present owners, had purchased all of the property. This organization had extracted most of the high-grade gole ore by 1916, and the inflow of water made further sinking uneconomical. A subsidiary was then incorporated under the name of the Camp Bird Tunnel, Mining and Transportation Co. to drive a low-level adit (14th level) 11,078 feet in length to intersect the vein 450 feet below the lowest workings. Very little gold ore was discovered by drifting east and west on the vein, and large-scale operations were not resumed.

King Lease, Inc., leased the property in 1925 and have operated it continuously since that time, the last 10 years primarily on base metals.

(b) According to Henderson, 1/ the first white men to e enter the San Juan Mountain region were a group of prospectors known as "Bakers Party". They reached the Animas River in the summer of 1860 and located in Baker's park, now the site of Silverton. Overtaken by a hard winter and harassed by the Ute Indians, many perished, but the rest escaped over the mountains.

The early experiences of Baker's expedition discouraged immediate further attempts to prospect the territory; however a party sent out by Governor Pile of New Mexico in 1870 discovered and successfully operated the Little Giant on the north side of Arrastre Gulch. Twenty-seven tons of ore yielding $150 a ton in gold was treated in an arrastre. In 1874 a treaty was negotiated with the Indians, and the main rush to the area started, the result of which was an influx of 2,000 prospectors, and more than that many claims were located. During that year several hundred tons of gray copper and galena ore were mined (principally from claims on Hazelton Mountain) and treated the following year in a smelter that had been erected at Silverton.

1/ Henderson, Charles W., Mining in Colorado: U. S. Geol. Surv. Prof. Paper 138, 1926, p. 48.

7 (b) continued.

In 1875 locations were made on what is now the Smuggler vein in San Miguel County, and a ton of ore worth $2,000 was shipped to s smelter at Alamosa. In Ouray County, prospectors were at work at the headwaters of Uncompahgre River and in Poughkeepsie Gulch, and in 1875 the Grand View claim was located below the town of Ouray.

By 1881 the Virginius mine, at the head of Canyon Creek, had two shafts, and mining was being done on three levels. In the same year discoveries were made at Red Mountain and Ironton, and during the succeeding 2 years many prospectors came into the area.

Numerous mills and smelters were erected in the Silverton-Ouray-Telluride triangle, but generally these were unsuccessful and ores running less than $100 could not be marketed outside. The completion of the narrow-gage Denver & Rio Grande Railroad to Silverton in July 1882, and the completion of a smelter at Durango in the same year, made it possible to mine lower-grade ores, and mining was increased about enfold in San Juan County from 1882 to 1885. The same developments were largely responsible for accelerated operations in San Miguel and Ouray Counties.

The history of the area from just prior to the beginning of the 20th century has been one of consolidation of a large number of small producing mines into a few large companies, connecting groups of properties by low-level tunnels to afford drainage and a more economical means of development and transportation, the establishment of larger, better-located milling facilities, and improved metheds of treatment.

According to Henderson, the first recorded productin from Ouray County, in 1878, was $49,473 in silver and gold; the earliest production from San Juan County, in 1873, was $13,000 in gold; and the earliest production San Miguel County in 1878, was $4,795 in silver. By 1885 the annual production of gold, silver, copper and lead in the three counties reached a total value of $2,734,000. By 1890 the total value of these metals reached $6,000,000 and remained fairly constant until about 1900 when it reached over $8,000,000 It was not until the period between 1900 and 1910 that zinc was recovered and became an important source of income. During the period of 1900 to the depression in 1930, the total annual value of metal products fluctuated only slightly between $6,000,000 and $8,000,000. During the 30's annual production remained around $1,000,000 to $2,000,000; however, a steady rise in production took place in the 40's and finally reached an annual value of $6,697,274 in 1947. 2/

The following table gives the total production of gold, silver, copper, lead and zinc in Ouray, San Juan and San Miguel Counties from the earliest record to 1947, in terms of recovered metal. 3/

2/ Production statistics to 1930, U.S. Geol. Sur. Mineral resources; 1931 to 1947, U.S. Bureau of Mines Minerals Yearbook.
3/ A. J. Martin, supervising engineer, Bureau of Mines, Statistics and Economics Division, Denver, Colorado.

King Lease, Camp Bird Mine
Ouray, Colorado.

Production of gold, silver, copper, lead, and zinc in Ouray, San Juan and San Miguel Counties, Colo., 1873-1947

	Ouray 1878-1947	San Juan 1873-1947	San Miguel 1875-1947	Totals
Gold				
Placer:				
Ounces.....	131	379	9,688	10,198
Value.....	$4,299	$13,161	$206,808	$224,268
Lode:				
Ounces.....	1,893,970	1,593,697	3,449,412	6,937,079
Value.....	$40,894,877	$37,099,605	$75,396,014	$153,390,496
Total Gold				
Ounces....	1,894,101	1,594,076	3,459,100	6,947,277
Value.....	$40,899,176	$37,112,766	$75,602,822	$153,614,764
Silver				
Ounces....	44,961,170	41,195,314	52,132,431	138,288,915
Value.....	$34,500,109	$28,094,036	$37,946.151	$100,540,296
Copper				
Pounds....	27,908,561	78,444,618	23,268,666	129,621,845
Value.....	$3,892,483	$11,203,689	$3,745,711	$18,841,883
Lead				
Pounds.....	181,270,150	516,046,695	263,258,690	960,575,535
Value.....	$8,597,599	$29,259,204	$15,598,458	$53,455,261
Zinc				
Pounds;;;;;	7,780,250	235,712,284	35,467,182	278,959,716
Value.....	$823,069	$16,546,048	$3,235,726	$20,604,842
Total Value	$88,712,436	$122,215,743	$136,128,868	$347,057,047

(c) There are no private reports available that apply to this application.

King Lease, Inc., Camp Bird Mine,
Ouray, Colorado.

(8) Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address	Official Title (If officer is also director indicate by "D"	Total of annual salary, commissions, bonuses, etc., received from Applicant and affiliates during last fiscal year	Estimated net worth outside of Applicant	No. Shares held in Applicant corporation		Life Insurance carried for benefit of Applicant.	
				Common	Preferred	Amount	Net Cash surrender value after loans
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Joseph King Grand Junction, Colo	President "D"	$850.00		47,999		None	
Kenneth Moore Gunnison, Colorado	Vice President & Treasurer "D"	588.30		500		None	
James K. Groves Grand Junction, Colo	Ass't Treasurer	600.00		1		None	
Otis Moore Gunnison, Colorado				54,000		None	
Franklin A. Bell Ouray, Colorado	Secretary "D"			21,999		None	
Mary E. Bell Golden, Colorado				23,000		None	
Louise Ingersoll Denver, Colorado				22,000		None	
	Total		XXXXXXXXX			XXXXXX	XXXXXXX

If more lines are needed continue on separate sheet

Total dividends paid 1950=$50,000.00 on production by King Lease on Camp Bird Vein

(9) Capital Stock Issues For Corporate Applicants

Item	Authorized	Outstanding	Par Value	No. Shares Outstanding	Dividend last paid
	(a)	(b)	(c)	(d)	(e)
Common Stock	$200,000.00	$	$1.00		December, 1950
Preferred	$	$	$		

King Lease, Inc., Camp Bird Mine,
Ouray, Colorado.

(10) Production

Item	Kind of Product (a)	1948 total (b)	1949 total (c)	1950 total (d)	Present Average Monthly tons (e)
1. Quantity of product mined or quarried (Short, long, metric tons, barrels, pounds, etc.)	Mine ore	39,331	37,196	52,959	5,000 1950 average
2. Quantity of product processed, (specify unit of measure and type of process ;	Mine Ore	28,131	39,246	46,163	4,077
3. Quantity and grade of product sold or shipped (specify units of measure)	Lead conc Zinc con	1,395 1,448	1,942 2,101	Pb-1855 Zn-1773	218 202

Note: Above figures in tons of 2000lbs.

(11) present plans are to double rate of production in next 12 month period.

(12) Ore or Mineral Reserves:

(a) The Camp Bird vein occupies a fault fissure that crosses the greater portion of the Red Mountain, Sneffels, Telluride area on a general east-west course. In the vicinity of Telluride and its crossing of the Smuggler-Union and Montana veins it is known as the Pandora. The extensive workings of the Camp Bird mine are situated in Imogene Basin, and this portion of the vein is known as the Camp Bird. To the east of Imogene Basin, the vein apparently splits into several components and is dissipated.

In the vicinity of the Smuggler-Union, the vein has a southerly dip of about 65°, whereas in the eastern part of the Camp Bird workings it is somewhat steeper and has a southerly dip of 70°. A vertical displacement of about 120 feet was indicated by Bureau of Mines diamond drilling on the Camp Bird tunnel level to the east of the crosscut. Apparently the hanging wall has moved westward with respect to the footwall but the amount of horizontal movement has not been definitely determined.

The vein filling is composed of massive quartz and is of variable width, usually 5 to 10 feet. At the Camp Bird Mine, minerals o of commercial grade apparently are in three principal shoots-- the Hematite to the east, the Big Discovery to the west, and the Camp Bird in the vicinity of the crosscut. Most of the production has been from the Hematite shoot, and current production is from the Big Discovery shoot. Production from the Blue Bird shoot has been principally from the upper levels or gold-ore zone. The contact of the San Juan tuff with the later pyroxene andesite flows of the Silverton volcanic series represents the approximate upper limits of these ore shoots.

The gold-bearing zone extended through a vertical range of about 500 feet from the third level of the mine upward to the base of the flow rocks. The ore from this zone averaged 1.4 ounces gold and about 2 ounces silver per ton. Below the third level, the gold content decreased until, at the 6th level, it averaged only 0.13 ounvrd og holf prt yon. Through the same zone, the silver content increased to 4.5 ounces per ton with about 2.2 percent lead and 2.4 percent zinc. The ore extracted between the 6th and 14th. levels has been of about the same average grade.

The ore in the upper, or gold zone was nearly pure quartz containing gold in the "free" state and a little silver and was successfully treated in the stamp mills of that time. At greater depths the vein maintains its general characteristics, but galena, sphalerite and some chalcopyrite, together with appreciable amounts of pyrite, appear locally in sufficient quantities to be of economic importance. These minerals are localized in bands within the vein. The most easterly ore shoot contains considerable hematite and was named accordingly.

(12) Ore or mineral reserves, continued:

(b)1.Map attached showing location of present mining operation, showing reserves.

(b) 2.

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)					Gross Value Per Ton (c)	Recoverable Unit Value per ton (d)	Estimated Cost of Production Per ton (e)
		Au	Ag	Pb	Cu	zn			
Broken	29,876	.08oz	3.5oz	2.9%	.8%	3.3%	24.42	17.75	10.76
Measured (proved)	36,160								
Camp Bird	129,130	.08	3.5	2.9	.8	3.3	24.42	17.75	10.76
Indicated Yellow Rose	260,000	.01	6.2	4.4	.3	2.9	26.54	19.45	10.76
(probable) 8500 vein	21,400	.04	3.5	5.0	.5	3.0	28.20	20.41	10.76

(13) Access Roads:

From Ouray to the Camp Bird is a distance of six miles over an all weather road kept in good condition.

(14) Water Supply:

There is an adequate water supply for camp and mill throughout the year.

(15) Power:

176,750 KWH/month, average cost 1.33¢/KWH. Power in this district is supplied by Western Colorado Power Company, Ouray, Colorado.

(16) Labor:

Typical labor distribution at King Lease: 16 miners, 6 muckers, 4 hoistmen, 4 trammers, 4 mill operators, 4 mechanics, 3 bit grinders, 2 crushermen, and 1 blacksmith.

(17) Equipment and Facilities

The present buildings on the property are all in excellent condition and in addition to the flotation mill, include 2 rooming and recreation houses for employees, one boarding house, office building, and five additional houses for King Lease personel. All buildings have hot and cold water showers, and are steam heated.

(17) Equipment (con't)

A list of King Lease equipment is enclosed:

KING LEASE EQUIPMENT

2	18 x10 x14 Imperial Type Ten Ingersoll Rand Compressors, complete with 100 H.P. motors and starting boxes.
1	8 x 8 and 14½ x 8 XRB Ingersoll Rand Compressor complete with 100 H. P. motor and starting box
1	Model 75H two stage air cooled Ingersoll Rand compressor complete with 75 H.P. motor and starting box
1	Model 500 Ingersoll Rand combination drill steel cutter and shank grinder
3	167 KVA 2400-240/480 Volt Transformers
13	R-104 Gardner Denver Stopers
4	CF-89 Gardner Denver Automatic Drifters
3	D-89 Gardner Denver Drifters
2	S-55 Gardner Denver ackhammers
	12,600 Feet of #2/0 3 conductor 5,000 volt underground power cable
20	40 cubic foot rocker dump mine cars
2	1-1/2-ton battery mine locomotives
1	4 ton Westinghouse mine locomotive
2	3 ton Westinghouse mine locomotives
1	75 KVA Generator complete with 100 H. P. Motor
1	1,000 ft. two drum electric hoist with 80 H. P. motor andcontrols
1	500 ft. two drum electric hoist with 80H.P. motor and controls
1	600 ft. two drum Vulcan Air hoist with air motors and controls
2	Bit grinding machines
1	IR-34 Drill Steel Sharpner
1	Toledo M-1000 Rod Threading Machine
2	Gardner Denver Mine Car Loaders
1	Sullivan Mine Car Loader
	Miscellaneous mine equipment such as air hoists, slushers, mine cars, for levels, etc. $20,000
2	5' x 4' Grate discharge ball mills complete with motors, grids,etc
2	10 x 21 Telsmith Jaw Crushers
1	Diester Vibrating Screen
1	300 ton ore bin
2	3" Wilfley sand pumps
3	2" Vertical pumps (Denver equipment)
24	No. 15 Denver Sub A Flotation Cells complete with motors, etc.
1	10 x 12 foot Door thickner
1	4' Four disc Eimco Filter
1	15' Tedrow Dryer
	Miscellaneous mill equipment such as conveyor belts, starting boxes, reagent feeders, etc - - - - $6,000

In addition to the above we have a complete machine shop for welding and repairs, also a complete bit grinding shop and electric shop for locomotive repairs, and two four wheel drive trucks.

King Lease, Inc., Camp Bird Mine
Ouray, Colorado.

(18) There are no particular conditons or circumstances not described above that should affect operations.

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

The King Lease, Inc. — By Norman Ebbley
Name of Company — Signature of Authorized Official

May 28, 1951 — General Manager
Date — Title

Title 18, U.S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

Dma - 1144X

DEFENSE MINERALS ADMINISTRATION

APPLICATION FORM NO. DMA-100

THE KING LEASE, INC.

Ouray, Colorado

YELLOW ROSE MINE

THE KING LEASE, INC.
Ouray, Colorado
May 5, 1951

Dr. James Boyd
Defense Minerals Administration
U. S. Department of the Interior
Washington, D. C.

Gentlemen:

Attached are four (4) signed copies of Form DMA-100 requesting government assistance in exploration and development of the Yellow Rose vein system, at Ouray, Colorado.

This proposal is to develop a lead-zinc property, and operate the mine in conjunction with the present King Lease, Inc. operation of the Camp Bird Mine.

The government loan (on a 50 percent basis) would approximate $150,000.

It is respectfully requested that the Defense Minerals Administration authorize the Bureau of Mines and the Geological Survey to investigate and define the proposed project as outlined in the attached form.

One signed copy of this application form has been mailed to Defense Minerals Administration, 224 New Customhouse, Denver 2, Colorado.

Yours very truly,

THE KING LEASE, INC.

Norman Ebbley

Norman Ebbley
Manager

NE/as
Enclosures

King Lease, Inc., Yellow Rose Mine
Ouray, Colorado

FORM DMA-100
(March 1951)

Form Approved
Budget Bureau No. 42-R1026

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

GENERAL TECHNICAL DATA	Not to be filled in by applicant
FOR USE UNDER THE	Docket No. Dma-1144X
DEFENSE PRODUCTION ACT OF 1950	Date Received 5/8/51

The King Lease, Inc.
Ouray
Colorado

Name and Address of Applicant

(Street, City, Zone, State)

Date May 1, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act.

Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. When a question is inapplicable it should be so stated on the form. Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

(1) Materials produced.
   (a) The chief mine products are lead, zinc, copper, silver, and gold. These are produced in separate lead and zinc concentrates.
   (b) There are no byproducts.

(2) The property includes the Yellow Rose and United States Depository group of claims. These claims are on one continuous vein and are as follow: Sunflower, Agnes, Declaration, Yellow Rose, Millionaire, U. S. Depository, Chief Deposit, and Caribou. The vein outcrop extends over 2-1/2 miles on the surface.
   (a) Linear feet of shafts - 100 feet
   (b) Linear feet of drifts and crosscuts - 1,443 feet
   (c) Linear feet of tunnels and adits - 1,918 feet
   (d) Linear feet of other mine openings - 0

   The mine is not flooded.

   There are no pumping problems.

   Productive capacity will depend on the success of the exploration program. With reasonably good results, a capacity of 3,000 to 4,000 tons per month is anticipated.

(3) Location.
   (a) Seven miles southwest of Ouray, Colorado
   (b) Mt. Sneffles Mining District
   (c) Township 43 North, Range 8 West of the New Mexico Meridian
   (d) Ouray County, Colorado

(4) (a) The property is not in operation at present.
   (b) King Lease, Inc., will operate property as lessee.

(5) (a) Number of years in production, unknown.
   (b) Estimated Date When Production Will Begin:

The Yellow Rose vein intersects the lower Camp Bird Tunnel 3,450 feet from the portal. The total width of the vein is 9.3 feet, of which 3.8 feet is well mineralized. A channel sample cut across the width of 3.8 feet gave the following assays:

.01 oz. Au., 6.2 oz. Ag., 4.4% Pb., .3% Cu., and 2.9% Zn.

Drift headings to the east and west would begin on ore. From past experience in this region it seems reasonable to assume that half of the development work would be in ore.

It is intended to carry through the following program in case the loan is granted: 4,000 feet of drift would be driven on the same level as the main Camp Bird Tunnel, driving headings east and west on the Yellow Rose vein. Eight raises 300 feet high would be driven from this level to explore the vein, or a total of 2,400 feet of raise. This exploratory work could probably be completed in fourteen months. After a period of three or four months of work, stope mining could be started. Exploratory work would result in about 900 tons of ore per month, again assuming half of the work would be in ore. By starting stoping operations simultaneously with exploration and development, the tonnage of ore could probably increased to 2,000 tons a month. Thus, the repayment of the loan could be started.

In the event the exploration program is successful, the mining operation could soon be expanded to a production of 4,000 tons a month, or the present capacity of the King Lease operation on the Camp Bird vein.

(6) Experience of Operators.

(a) King Lease, Inc. has operated the Camp Bird Mine continuously since 1925.

(b) Experience records of the general manager and a few of the staff members are enclosed.

King Lease, Inc., Yellow Rose Mine
Ouray, Colorado

NORMAN EBBLEY

(Registered Mining Engineer, State of Colorado)

March 1949 to Present	General Manager of King Lease, Inc. Operators of the Camp Bird Mine, Ouray, Colorado. Operate a gold, silver, lead, zinc, copper mine, and concentrating plant.
Nov. 1/47 to Mar. 1949	Mining Engineer for the U. S. Geological Survey in charge of Exploration on the Colorado Plateau Project for Uranium-Vanadium ore reserves. Supervised subordinate professional, clerical or sub-professional personnel. Directly responsible for all phases of the diamond drilling exploration, and formulated general and detailed proceedure for carrying out all phases of the field exploration. P-5 Rating. U.S.G.S. Grand Junction, Colorado.
June 15/47-October 25/47	In charge of general exploration work at Leadville, Colorado. My associates and myself were endeavoring to unwater some old mining properties under lease.
May 1945-June 1947	Project Engineer (P-4 Rating) for the U. S. Bureau of Mines at Leadville, Colorado. Sampling of old properties, investigating old mine shafts and workings, supervision of diamond and churn drilling operations, retimbering and maintenance of Leadville Drainage Tunnel, report writing and mapping. U. S. Bureau of Mines, Newcustom House, Denver, Colorado
March 1942-May 1945	Project Engineer (P-4 Rating) for the U. S. Bureau of Mines in Alaska. Work similar to above. U. S. Bureau of Mines, Washington, D. C.
November 1938-March 1942	Mining Engineer for the Day Mining interests Wallace, Idaho. Geologist, Mining Engineer and construction foreman for the various properties owned and operated by Day Mines, Inc. In charge of general outside construction, road and sewer construction, etc. In charge of diamond drill proceedure and underground mapping and geology.

Experience record of Norman Ebbley continued:

June 1937-November 1938	Personal leasing operations. Acquired leases on various mining properties and subleting to operators at Wallace, Idaho.
Sept. 1936-Nov. 1937 (Overlap)	Had mining drift contract for 3,000 feet of tunnel from Callahan Lead-Zinc Company on their Vulcan Tunnel Job at Wallace, Idaho. Completed the job in November 1937—in full charge of all the work.
June 1936-September 1936	Engineer in charge of drilling and estimating on placer gold prospects for the Day Mines, Inc. at Wallace, Idaho.
March 1934-June 1936	Mining Engineer and geologist for the Nabesna Mining Corporation, Nabesna, Alaska. In charge of diamond drilling operation and mine shifter. Did all engineering work and geology as required.
Year 1936-Year 1938 (Overlap)	County Engineer for Shoshone County, Idaho. Elective Job.
November 1933-March 1934	Flood Control Engineer for the U. S. Government at Wallace, Idaho.

Although starting college in 1926, I stayed out three years and worked to complete my courses. During those years and the summers when I was on vacation, I worked as a common laborer in the mines and for the county (Shoshone, Idaho) driving trucks, and tractors. I have during that period served as a qualified blacksmith, electric-arc and acetylene welder, explosive engineer, "Cat" and shovel operator. Since 1934 I have been continuously in charge of men on responsible jobs.

King Lease, Inc., Yellow Rose Mine
Ouray, Colorado

Lin D. Barry

March 1950 - Present	King Lease, Inc., Camp Bird Mine, Ouray, Colorado Mine Foreman in charge of underground operations.
March 1949 - March 1950	Private Engineering Practice Vernal, Utah. Surveying, Mining Sand Asphalt Consturction of Small Irrigation Project.
August 1940-March 1949	Barber Oil Company, New York City. Manager of Gilsonite Mining Operation at Bonanza, Utah. In complete charge of underground and surface operations.
November 1939-August 1940	Barber Oil Company, New York City Engineer of Gilsonite Mining Operation. This period was spent as understudy of retiring manager.
October 1938-October 1939	Clear Creek Consolidated Mining & Milling Company, Idaho Springs, Colorado. Mine Superintendent in charge of underground operations of Gold Mining Operation.
September 1937-August 1938	Thunder Mountain Mining & Milling Co., Stibnite, Idaho. Superintendent of surface and milling operations in complete charge of small gold mine.
October 1936-September 1937	Associate in Mines Contracting Company, Wallace, Idaho. In charge of tunnel contract driving 3,000 feet of tunnel for Callahan Lead-Zinc Company at their Vulcan Tunnel, Wallace, Idaho.
May 1935-August 1936	American Smelting and Refining Company, c/o Federal Mng. & Smelting Company, Wallace, Idaho. Superintendent of Azurite Mine, Mazama, Washington, in charge of underground and surface development work prior to production operations.
September 1933-May 1935	Jack Waite Mine, Duthie, Idaho American Smelting and Refining Company, c/o Federal Mining & Smelting Company, Wallace, Idaho, Miner, Timberman, Mill Repairman, Mill Operator, Assayer. Lead, Silver, Zinc Mine.

Experience record of Lin D. Barry continued:

1928 - 1933	Attending College of Mines, University of Arizona, Tucson. 1928-1930 University of Washington, Seattle. 1931-1933 Graduated June 1933 B.S. Mining and Geology.
1926 - 1927	Phelps-Dodge Corporation, Nacozari, Sonora, Mexico Superivisor at Pilares Mine in charge of waste filling of cut and fill stopes with slushers. Timber salvage of abandoned square set stopes.
1925 - 1926	Placer Mining. Burnt River District. Baker, Oregon.
1924 - 1925	Chontales Mines Ltd., Chontales, Nicaragua, Cyanide Plant, Shift Boss Gold Mining Operation.
1923 - 1924	Iron Dyke Copper Mine, Homestead, Oregon. Mucker, Trammer, Timberman Helper.

Other experience includes working in logging and lumbering operations of North West Washington, and clerical work for Northern Pacific Railroad, Seattle, Washington.

I am a graduate engineer with a degree from the University of Washington in Mining and Geology.

King Lease, Inc., Yellow Rose Mine
Ouray, Colorado

Franklin A. Bell

March 1950 - Present	The King Lease, Inc., Camp Bird Mine, Ouray, Colorado. General Superintendent and Secretary in charge of mill, office, and shop. Director in King Lease.
January 1936 - 1938	The King Lease, Inc., Ouray, Colorado Mine Sampler and Shifter.
January 1939 - 1942	The King Lease, Inc., Ouray, Colorado, Mill Mechanic, Mill Operator.
January 1943 - 1944	Mill Superintendent, The King Lease, Inc., Ouray, Colorado.
January 1945 - 1947	The King Lease, Inc., Ouray, Colorado, General Superintendent and Vice President. In charge of mining and milling operations under Charles Bell Sr. President and General Manager.
January 1947 - 1949	General Superintendent and Vice President in charge of surface and milling operation. King Lease, Inc.
June 1934 - 1936	Gardner-Denver Company, Quincy Illinois. Repair and service engineer on pumps rock drills, and compressors. Heat Treat Department (Steel Analysis)
1928-1933	Colorado School of Mines, Golden, Colorado, Metallurigical Engineering.

King Lease, Inc., Yellow Rose Mine
Ouray, Colorado

Roy Hall

June 1949	King Lease, Inc., Ouray, Colorado, Engineer.
September 1948-April 1949	Idarado Mining Company, Ouray Colorado, Engineer and Shift Boss.
March 1948- July 1948	Sociedad Empresa De Estano de Araca, Viloco, Bolivia, Mill Superintendent.
May 1947-February 1948	Pride of West Operations, Silverton, Colorado, Mine Manager.
February 1946-April 1947	W. C. Kruger and Associates, Santa Fe, New Mexico, Surveyor and Field Engineer.
August 1945-January 1946	New Mexico Public Service Commission, Santa Fe, New Mexico, Safety Engineer.
July 1945	G. D. Macy, Santa Fe, New Mexico, Civil Engineer.
July 1944-June 1945	W. C. Kruger, Los Alamos, New Mexico, Surveyor and Field Engineer.
April 1944-June 1944	James H. Russell, Santa Fe, New Mexico, Mining Engineer.
September 1942-February 1944	U. S. Navy, Ensign
April 1942-August 1942	Chas. De Leuw & Company, Sioux Ordinance Depot, Sidney Nebraska, Assistant Engineer.
October 1941-March 1942	Banner Mining Company, Lordsburg, New Mexico, Mine and Safety Engineer.
June 1938-July 1941	Compania Minera De Oruro, Oruro, Bolivia, Mine Manager.
March 1937-May 1938	Sociedad Empresa De Estano de Araca, Viloco, Bolivia, Chief Engineer.
January 1937-February 1937	Nevada Consolidated Copper Corporation, Hurley, New Mexico, Flotation Operator.
October 1936-December 1936	New Mexico State Highway Department, Santa Fe, New Mexico, Surveyor.

Experience record of Roy Hall continued:

April 1936 - May 1936	United States Vanadium Corporation, Uravan, Colorado, Surveyor.
June 1935 - September 1935	H. N.D. Land Company, Chama, New Mexico, Surveyor.

Graduate of Colorado School of Mines, 1935, E. M. Degree.

(7) History.

(a) Very little is known of past production of the properties as they were abandoned about 1893, probably because of the silver panic of that time. Thomas F. Walsh purchased the claims in 1897 for taxes and later cleared title to them. As he was, at that time, starting development on the nearby Camp Bird Vein in which he had discovered high grade gold and silver, he did not bother to exploit the Yellow Rose Vein.

In 1902 Walsh sold the claims to Camp Bird Limited of England, along with most of his holdings in the Imogene Basis for six million dollars. Camp Bird Limited confined their attention to the Camp Bird Vein, which was well into production by that time. Base metals and silver were very low in value for many years, and the Yellow Rose Vein remained undeveloped.

(b) The Camp Bird vein, 7,500 feet southwest of the Yellow Rose Vein, has been a highly successful producer since it was acquired by Thomas F. Walsh in 1896.

Available records indicate a production in excess of $36,000,000.

(c) The following is a copy of a report by A. Von Schultz, 1883-84: "The Yellow Rose, 300 x 1500 feet; situated at the foot of Imogene Basin, seven miles southwest of Ouray, Mt. Sneffles dis-

trict, and patented; vein a fissure, traceable on surface for over 3 miles (ten claims are located on this vein), and from 4 to 8 feet wide, the ores having galena as their base and including gray copper, silver glance, native silver in leaf and wire, red and resin blend, iron and copper pyrites, and the blue and green carbonates of copper with large quantities of manganese silicates and carbonate of manganese, the latter generally accompanied by both native quartz as the matrix of the metals, and a clay gouge between the mineral and the wall, the space between the ore and the footwall containing soft gray porphyry, the pay streak varying from 10 to 36 inches in width, assaying from 20 to 130 ounces silver per ton, the present workings, however, showing mineral of a much better quality; development--one drift on the vein 480 feet long."

"Declaration and Agnes--two adjoining claims on the vein (the Yellow Rose) 300 x 1500 each; situated at the foot of Imogene basin 7 miles soutwest of Ouray, Mt. Sneffles district; located in 1878, and patented in 1882; owners Wm. Weston and George Barber, both of Ouray; vein a fissure, with trachyte walls from 4 to 6 feet wide, pay streak from 10 to 36 inches, containing principally a bright galena, associated with iron and copper pyrites, gray copper and blend, in a white crystaline quartz gangue, with native silver in leaves and wire and in many places sheets of silver glance, assaying from $25 to $125 per ton; developed by two tunnels 100 and 610 feet long, respectively, and a series of surface openings."

J. E. Spurr, 1908 writes the following: "I do not recommend any development work on most of the veins within the Camp Bird property and north of the Camp Bird vein. Two of these veins, I believe merit further development work (the Pierson and the Yellow Rose)

but the localities at which work should be done are nearly or quite out of Camp Bird property. These localities are just below the lower instrusive sheet, on both sides of Imogene Creek for the Pierson vein, and on the southeast side of the creek for the Yellow Rose vein, the two localities on the southeast side being preferred."

A report by C. W. Vaupell, 1930 states the following: "The Yellow Rose vein strikes N. 45° W. and dips about 70 degrees SW. NE This vein has the strongest and most promising outcrop of all the veins in the immediate vicinity.

"The Camp Bird claims cover 4,500 feet along the strike of the vein over the lower tunnel level, and there are two claims which cover the southeastern extension (2,700 feet long) towards the projected junction of the Yellow Rose and Camp Bird veins. These two claims are owned by local people.

"The Yellow Rose vein is credited with some production and there are several large dumps east of the road from the Camp Bird Mill to the old mine, and there are also the remains of two old mills.

"Samples have been taken off the Yellow Rose dumps at the site of the upper mill as follows:

	Oz. Au.	Oz. Ag.	% Pb.
"No. 1	Trace	20.9	Not Assayed
No. 2	0.04	47.9	" "
No. 3	0.04	200.5	" "
No. 4	0.16	29.0	20%

(Zn on No. 4 was 9% which equals $44.70 per ton net)

"The best looking part of the Yellow Rose outcrop is to the southeast of the Camp Bird Ltd. ownership at elevations of 11,000

to 12,000 feet in the Sunflower claim. An outcrop sample over a width of 6 feet gave assays as follows: No. 5: 0.02 oz. Au., 5.3 oz. Ag., and 5.3% Pb."

King Lease, Inc., Camp Bird Vein

King Lease Inc., Yellow Rose Mine
Ouray, Colorado

(8) Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

(a)	(b) Official Title (If officer is also director indicate by "D")	(c) Total of annual salary, commissions, bonuses, etc., received from Applicant and affiliates during last fiscal year.	(d) Estimated net worth outside of Applicant	(e) No. Shares held in Applicant corporation: Common	(f) Preferred	(g) Life Insurance carried for benefit of Applicant: Amount	(h) Net cash surrender value after loans
Joseph King, Grand Junction, Colorado	President "D"	$850.00		47,999		None	
Kenneth Moore Gunnison, Colorado	Vice President & Treasurer "D"	588.30		500		None	
James K. Groves Grand Junction, Colorado	Ass't Treasurer	600.00		1		None	
Otis Moore Gunnison, Colorado				54,000		None	
Franklin A. Bell Ouray, Colorado	Secretary "D"	4800.00		21,999		None	
Mary E. Bell Golden, Colorado				23,000		None	
Louise Ingersoll Denver, Colorado				22,000		None	
	Total		XXXXXXX			XXXXXX	XXXXXXXXX

If more lines are needed continue on separate sheet

Total Dividends paid 1950 = $50,000.00 on production by King Lease on Camp Bird Vein

(9) Capital Stock Issues

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	No. Shares Outstanding (d)	Dividend last paid (e)
Common Stock	$200,000.00	$	$1.00		December 1950
Preferred Stock	$	$	$		

(10) Production. The Yellow Rose property is not in production at present, nor are records available on past production.

(11) Future production depends on the results of the exploration program. If successful, a monthly production of 3,000 to 4,000 tons is anticipated.

(12) Ore or Mineral Reserves.

(a) The Yellow Rose Vein outcrop can be traced on the surface for over 2-1/2 miles. The lower Camp Bird Tunnel cuts this vein 1,400 feet below the surface, where it shows a strong vein structure with good values in lead and zinc.

With a program based on fourteen months of development work, approximately 260,000 tons of ore should be blocked out. This estimate is made on the assumption that half of the development will be driven on ore.

(b) (1) There are no assay plans. A plan showing claims in the area and a section through the Camp Bird Lower Tunnel accompany this report.

(2) To compute the probable ore reserve, an average width of five feet was used. A tonnage factor of eleven and a half cubic feet per ton is used in calculating Camp Bird ore reserves and should apply as well to this ore.

With 4,000 lineal feet of drifting and raises to a height of 300 feet, the tonnage blocked out would be:

$$\frac{4000 \times 300 \times 5}{11.5} = 521,739.$$

Assuming half of the tonnage blocked out as ore the figure is reduced to 260,000 tons.

(13) Access Roads

There is a truck road between the lower Yellow Rose adit and the Camp Bird Mill Camp, a distance of 1-1/2 miles. Work on the las t several hundred yards into the mine would put it in good condition. From the Camp Bird Mill Camp on to Ouray, a distance of six miles, is a good all weather road.

(14) Water Supply

There is an adequate water supply throughout the year.

(15) Power

176,750 KWH/month, Average cost 1.33¢/KWH. Power in this district is supplied by Western Colorado Power Company, Ouray, Colorado.

(16) Labor

Typical labor distribution at King Lease: 16 miners, 6 muckers, 4 hoistmen, 4 trammers, 4 mill operators, 4 mechanics, 3 bit grinders, 2 crushermen, and 1 blacksmith.

(17) Equipment and Facilities

There are no buildings or equipment on the Yellow Rose

property, but the property would be developed from the lower Camp Bird Crosscut. Under the program planned, King Lease buildings and equipment would be available. A list of King Lease equipment is enclosed. In addition, there are housing facilities, a concentrating plant, and other facilities now used by the King Lease, Inc.

KING LEASE EQUIPMENT

2 18 x 10 x 14 Imperial Type Ten Ingersoll Rand Compressors complete with 100 H.P. motors and starting boxes.
1 8 x 8 and 14½ x 8 XRB Ingersoll Rand Compressor complete with 100 H.P. motor and starting box.
1 Model 75H two stage air cooled Ingersoll Rand compressor complete with 75 H.P. motor and starting box.
1 Model 500 Ingersoll Rand combination drill steel cutter and shank grinder.
3 167 KVA 2400-240/480 Volt Transformers
13 R-104 Gardner Denver Stopers
4 CF-89 Gardner Denver Automatic Drifters
3 D-89 Gardner Denver Drifters
2 S-55 Gardner Denver Jackhammers
12,600 Feet of #2/0 3 conductor 5,000 volt underground power cable
20 40 cubic foot rocker dump mine cars
2 1-1/2-ton battery mine locomotives
1 4 ton Westinghouse mine locomotive
2 3 ton Westinghouse mine locomotives
1 75 KVA Generator complete with 100 H.P. Motor
1 1,000 ft. two drum electric hoist with 80 H.P. motor and controls
1 500 ft. two drum electric hoist with 80 H.P. motor and controls
1 600 ft. two drum Vulcan Air hoist with air motors and controls
2 Bit Grinding Machines
1 IR-34 Drill Steel Sharpner
1 Toledo M-1000 Rod Threading Machine
2 Gardner Denver Mine Car Loaders
1 Sullivan Mine Car Loader
Miscellaneous mine equipment such as air hoists, slushers, mine cars, for levels etc.....$20,000
2 5' x 4' Grate discharge ball mills complete with motors, grids etc.
2 10 x 21 Telsmith Jaw Crushers
1 Diester vibrating screen
1 300 ton ore bin
2 3" Wilfley sand pumps
3 2" Vertical pumps (Denver Equipment)
24 No. 15 Denver Sub A Flotation Cells complete with motors, etc.
1 10 x 12 foot Door thickner
1 4' Four disc Eimco Filter
1 15' Tedrow Dryer
Miscellaneous mill equipment such as conveyor belts, starting boxes, reagent feeders, etc.....$ 6,000

In addition to the above we have a complete machine shop for welding and repairs, also a complete bit grinding shop and electric shop for locomotive repairs, and two four wheel drive trucks.

(18) There are no particular conditions or circumstances not described above that should affect operations.

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

The King Lease, Inc.	By [signature]
Name of Company	Signature of Authorized Official
May 1, 1951	General Manager
Date	Title

Title 18, U.S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

500

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

DEPARTMENTAL DIRECTOR'S OFFICE
REGION IV
MAR 27 1952
BUREAU OF MINES
DENVER, COLORADO

Mr. Norman Abbley, Manager
The King Lease, Inc.
Ouray, Colorado

Re: Docket No. TP A 1144K
King Lease, Inc.

Dear Mr. Abbley:

Under date of October 1, 1951 a letter was sent to you by the Field Team, Region IV, notifying you that your application was being placed in the inactive file until further instructions were received. Since that time no further instructions from you have been received and we would, therefore, appreciate information as to whether you still desire exploration assistance under the requirements of Mineral Order 5.

Unless we hear from you within thirty days, we will assume that you are no longer interested in exploration project assistance and will consider your application closed.

Sincerely yours,

D. E. Moulds

D. E. Moulds, Chief
Base Metals Division
Defense Minerals Exploration
Administration

DEMoulds/hmj
3-25-52
cc to: Adm. R. File
Mr. Bishop
Mr. Knight
Mr. Moulds
Region IV
Docket

Inactive file

224 New Customhouse
Denver 2, Colorado

March 20, 1952

Memorandum

To: D. E. Moulds, Chief, Base Metals Division, DMEA

From: Acting Chief, Mining Division, Reg. IV., for
J. H. East, Jr., Executive Officer, Field Team, Reg. IV

Subject: DMA Docket 1144X - King Lease, Inc., Ouray, Colorado - your memo March 11, 1952

On October 1, 1951, the Field Team notified King Lease, Inc., that their application was being placed in the inactive file until further instructions were received.

We have received no further instructions.

W. H. King

W. H. King, for
J. H. East, Jr.
Executive Officer
Field Team, Region IV

cc: A. H. Koschmann (2)
Sub
Chron

WHK:bh

JHE

500

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

REGIONAL DIRECTOR'S
OFFICE
REGION IV
MAR 14 1952
BUREAU OF MINES
DENVER, COLORADO
MAR 11 1952

1 of 4

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

Dear Mr. East:

With reference to the exploration application of the King Lease, Inc. We note in your memorandum of August 7, 1951, that the application be help up until after the new Board of Directors had been selected.

As we have received no further correspondence we will appreciate information as to whether the company has a continued interest in the exploration covered by this application sufficient to hold as a pending case.

Sincerely yours,

D E Moulds

D. E. Moulds, Chief
Base Metals Division
Defense Minerals Exploration
Administration

J. H. East

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

Field
MAR 14 1952
BUREAU OF MINES
DENVER, COLORADO

MAR 11 1952

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

Dear Mr. East:

With reference to the exploration application of the King Lease, Inc. we note in your memorandum of August 7, 1951, that the application be help up until after the new Board of Directors had been selected.

As we have received no further correspondence we will appreciate information as to whether the company has a continued interest in the exploration covered by this application sufficient to hold as a pending case.

Sincerely yours,

D. E. Moulds

D. E. Moulds, Chief
Base Metals Division
Defense Minerals Exploration
Administration

DEMoulds/hmj
3-11-52
cc to: Adm. Reading File
Mr. Bishop
Mr. McKnight
Field Team Reg IV
Mr. Moulds
Docket

THE KING LEASE, INC.
OURAY, COLORADO

October 3, 1951

REGIONAL DIRECTOR'S OFFICE
REGION IV
OCT 5 1951
BUREAU OF MINES
DENVER, COLORADO

J. H. East, Jr.
Executive Officer
DMA Field Team, Region 1V
224 New Customhouse
Denver 2, Colorado

Dear Mr. East:

Thank you for your letter of October 1, 1951, regarding our application, DMA 1144X. It is noted that you have placed our application in your in-active file. We will let you know further regarding this matter as soon as we have additional information.

Yours Very Truly,

~~THE~~ KING LEASE, ~~INC.~~

Norman Ebbley

Norman Ebbley
General Manager

NE/cd

224 New Customhouse
Denver 2, Colorado

October 1, 1951

Mr. Norman Ebbley, Manager
The King Lease, Inc.
Ouray, Colorado

Dear Mr. Ebbley:

We have not heard from you in answer to our letter of September 10, regarding your application, DMA 1144I.

We are placing your application in our inactive file until we receive further instructions from you.

Yours very truly,

J. H. East, Jr.
Executive Officer
DMA Field Team, Region IV

JHE:ld

cc: DMA
Kaechmann

224 New Customhouse
Denver 2, Colorado

September 10, 1951

Mr. Norman Ebbley, Manager
The King Lease, Inc.
Ouray, Colorado

Dear Mr. Ebbley:

Referring again to your letter dated August 4, 1951, in which you requested that we hold your application, DMA Docket 1144X, until we heard from you following the stockholders meeting, this is to advise that we are holding your application in abeyance and will appreciate your advising when you expect clearance regarding your application.

Yours very truly,

J. H. East, Jr.
Executive Officer
DMA Field Team, Region IV

JHE:ld

cc: DMA

August 7, 1951

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: DMA 1141X, The King Lease, Inc., Yellow Rose Mine,
Ouray, Colorado

Referring to the brochure of the King Lease, Inc., as listed above, we have received a letter from Norman Hobley stating that the Board of Directors of the King Lease, Inc., may be changed at the next stockholders meeting, and requesting that their application be held up until after the new Board has been selected.

Accordingly, we are filing this application in our pending file.

J. R. East, Jr.

jd

cc: Allsman
Kosolmann
Traver
DMA Files

REGIONAL DIRECTOR'S
OFFICE
REGION IV
MAY 18 1951
BUREAU OF MINES
DENVER, COLORADO

May 16, 1951

Airmail

Re: Docket DMA-361

Mr. Norman Ebbley

Ouray, Colorado

Dear Mr. Ebbley:

This will acknowledge receipt of your application for an exploration loan on the Yellow Rose Mine which has been docketed DMA-1144.

Your application was made on a form giving general technical data for use under the Defense Production Act of 1950. Requests for aid under the exploration program of the Defense Minerals Administration should be made on Form MF-103, which I am enclosing. Much of the information given on the form that you have used is equally applicable for the exploration form and need not be repeated. However, the questions under "Requirements and Costs" shown on the back of the exploration form are not covered in the form that you have used and should be answered. There also may be one or two questions in this exploration form that have not been answered in the application already submitted by you.

Will you please fill out the information requested under the heading on page 1 of the attached form, answer the additional questions not covered in your previous application and sign the exploration form. Four copies should be returned to us.

I regret the delay caused in the use of the wrong form but I believe you will find that the additional information requested from you will not be difficult to supply. Reference can be made in this new application to questions already answered in your earlier application, so that no duplication is necessary.

Very truly yours,

Otto Herres

Otto Herres, Chief
Lead-Zinc Branch

Enclosure

ETMcKnight:emp G 5/16/51

Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA

L. B. Moon
R. H. Mote
L. F. Strobel
Tom Lyon
Directors reading file 4214 GSA
Br. reading file 4214 GSA

DMH

REGIONAL DIRECTOR'S
OFFICE
REGION IV
JUL 23 1951
BUREAU OF MINES
DENVER, COLORADO

July 17, 1951

Re: Docket DMA-1144

The King Lease, Incorporated

Ouray, Colorado

Gentlemen:

Enclosed are seven copies of Form MF-202, "Landlord's Subordination Agreement". Before further action can be taken on your application, six copies of this form must be completed and returned to us.

If there are any liens, encumbrances, etc., against the property, Form MF-201, "Mortgagor's Subordination Agreement" must also be submitted. The necessary copies are enclosed.

Very truly yours,

R. R. Billings, Chief
Lead-Zinc Branch

Enclosures
EJLyond:emp
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
L. F. Strobel
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

J.F.S.

JATE

August 7, 1951

Norman Ebbley, Manager
The King Lease, Inc.
Carey, Colorado

Dear Mr. Ebbley:

This will acknowledge receipt of your letter dated August 4, in reference to government assistance on the King Lease, Inc.

This application has not been referred to the Field Team for investigation, and therefore, we can take no action until it has been referred.

It is noted that you wish any investigation by the Defense Minerals Administration man deferred until after your Board of Directors' meeting. We will contact you if field examination is requested.

Yours very truly,

J. E. Hast, Jr.
Executive Officer
DMA Field Team, Region IV

ld

cc: DMA
Rosenbaum

AUG 3 1951

Mr. J. R. East, Jr.
Executive Officer
Region IV
701 New Masterhouse Building
Denver 2, Colorado

Re: Docket UMA 11443
Lead, Zinc, Copper
King Lease, Inc.
Yellow Rose Vein
Ouray, Colorado

Dear Mr. East:

A telephone conversation between Mr. Norman Ebbley, General Manager of King Lease, Inc. and Mr. R. Power Harris of Production Expansion Division resulted in a request from Mr. Ebbley for an "on the ground" check by a Defense Minerals Administration Field Team. This request was made because several items set forth in his company's exploration application, which will be discussed later, were not described in sufficient detail to allow approval.

There will accompany this letter the following:

1. Application Form DMA 100 with covering letter dated May 5, 1951.

2. Application Form DMA 100 with covering letter dated May 28, 1951.

3. DMA Form 103 with covering letter dated June 20, 1951.

4. Copy of Agreement of Lease between the Camp Bird Limited Corporation and King Lease, Inc.

5. Copy of an agreement between the Camp Bird Tunnel, Mining and Transportation Co., and the King Lease, Inc.

Study of this application brought to light several points which must be clarified before an exploration contract can be drawn up for signature. No doubt your staff will be able to determine answers to the following questions by an "on the ground" inspection.

(a) The lease, item 4 in the above tabulation, covers only the claims; Yellow Rose, Reclamation, and Agnes.

(b) By referring to the claim map attached to item 1, in above tabulation it will be seen that some right to the ore that may be found under the following claims, must be established; Chief Deposit, Millionaire, C. P. Hereditary, and Sunflower.

(c) Again referring to the claim map in item 1 in above tabulation, it will be seen that some right to the ore that may be found under the fraction between the end lines of the Millionaire and C. P. Hereditary claim, must be established.

(d) On page 3 of application DM 100 dated May 1, 1951, it will be noted that it is contemplated to do 4000 feet of drifting and 1400 feet of raising.

It is also contemplated that after three or four months mining could be started.

This will necessitate close inspection to determine what is exploration and what is development. It is possible that as soon as the company can start mining, the exploration period will cease.

(e) Mr. Ridley advised that the Landlord's Subordination Agreement for the claims owned by Gump Bird Limited of London England could be obtained easily because this company maintained an agent in the United States. Other subordination agreements will be provided when arrangements to explore the other claims have been completed. This will also apply to the claim fraction unless King Lease, Inc. stakes it and thereby becomes owner.

(f) The following comments will refer to data furnished May 25, 1951 on DM Form 103, numbered as shown.

#3. (a) Under "Performance of the work", paragraph 4, of the Exploration Project Contract it calls attention to the necessity of Government approval of all contracts. Variable small labor contracts could possibly be treated as work.

#3. (b) It is doubtful if any part of the manager's salary is applicable to this exploration work, certainly not one half of it, although it could possibly be worked out on a proportionate basis, between the present operation now going on and this exploration work.

#3. (c, d) Hauling to a trestle for a waste dump should be checked as well as repairing 1000 feet of haulage track. It must be kept in mind that these facilities are being used today in the present operation and any money spent for this rehabilitation work should be charged only in proportion, to the usefulness of the facility to exploration. The items of $6,000.00 and $13,674.00 respectively, might be reduced considerably on a proportionate basis and not favor exploration work.

#3. (e) Equipment - to be purchased. As listed in the DM Form 103.

2 Mine car loaders	$ 6,300
5 [illegible] Drillers @ $975 each	4,875
10 Stopers @ 104 @ $750 each	7,500
2 [illegible] Air Receivers and Hoses	300

1 J.A.I.T. Jumbo	$ 3,400
2 Dollar fuel tanks 3 x 7 x 3	300
	[illegible]

General questions arise from a study of the above list such as:

Why two mine car loaders?
If five drillers are necessary why only one Jumbo?
Why 10 stopers?

There are probably answers to these questions which an inspection by a WSA Field Team will get and evaluate from "on the job" evidence.

13. (c) Equipment - consumable supplies (temporarily installed)

1000 ft. Air Hose @ $117.50 per 100 ft.	$ 1,175.00
6400 ft. 4" Air Line @ $1.30 per ft. (Victaulic)	8,320.00
4000 ft. 1" Pipe and couplings	500.00
8000 ft. Rail 16# type @ $[illegible]	9,600.00
[illegible] Splice bars @ $[illegible]	1,600.00
[illegible] Spanish track bolts	672.00
9400 Spanish track spikes	1,[illegible]
Track ties 4 x 4 x 3 and switches	1,068.00
6" x 8" x 20 sills under track ties	2,000.00
800 Rail Bonds	500.00
6400 ft. Vent line and fans	2,708.00
4000 ft. Trolley wire (T-0)	1,040.00
100 Trolley Hangers	153.00
Spare tunnel parts	1,500.00
8 tons drill steel	2,747.00
35000 drill bits @ $[illegible].30	13,650.00
Powder	9,960.00
Miscellaneous	10,[illegible]
	$[illegible]

Some of the items listed above will go into the mine as permanent facilities but it is doubtful if there will be much value in them unless good ore is found by the exploration work, and it is mined. This refers to such items as track and pipe. The other items such as powder, steel and bits will be expended.

However, no matter which of the above two enterprises the equipment falls under, it cannot be used at a rate faster than the rate at which the exploration drifts and raises are advancing. It is anticipated that the project will consume fourteen months hence these supplies will not be needed all at once.

The encountering of minable ore in three or four months, as is anticipated in the application, at least indicates the possibility of the exploration work paying and should cause careful consideration, before all this list is ordered at once.

It is suggested that when administering a project of this size quarterly visits of some representative of the Government should be made. These visits could be made in the last month of any quarter so that requirements for the succeeding quarter could be reviewed and approved in advance, if found in order. In other words, the whole project could be approved quarterly, subject to approval of budgets submitted by the applicant.

The prices in these lists should be given close study because, for example, it is set down in the above equipment list that 8000 feet of rail that weighs 120 lbs. This means 80 pound rail which is certainly not exploration rail.

23. (f) The rental for this locomotive and cars seems reasonable and the DMA Field Team can verify, when they determine the size of the equipment and its condition.

23. (g, h, i,) More detail would be helpful and again the DMA Field Team could make this determination.

23. (j) This item should first be analyzed on the basis of work now being done and its proportion to the anticipated work. It then should be analyzed from the standpoint of paragraph 10 of the Exploration Project Contract, headed "All usable parts of the project".

Please consider this letter simply as a compilation of the results of our study of this application that are passed on to you and your staff to aid them in arriving at a fair estimate of the expenditures justified.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

APPROVED:

Chairman, Coordinating Committee

Member, Bureau of Mines

Member, Geological Survey

SPWarren/mah
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Mr. Moen
Mr. Warren
Mr. Billings
Mr. McKnight
Region IV

CERTIFICATION

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

The King Lease, Inc.
(Name of company)

By [signature]
(Signature of authorized official

5/28/51
(Date)

Manager
(Title)

Title 18, U.S. Code (Crimes), Section 1001, makes it a criminal offence to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16-64067-1 U.S. Government printing office.

THIS AGREEMENT OF LEASE, made and entered into, IN TRIPLICATE, as of the first day of January, A. D. 1951, by and between CAMP BIRD LIMITED, a corporation organized and existing under and by virtue of the laws of the United Kingdom of Great Britain and Northern Ireland, having its principal office in the City of London, England, and doing business in the Counties of Ouray and San Miguel in the State of Colorado by virtue of compliance with the laws of the said State, party of the first part and lessor (hereinafter referred to as the "Lessor"), and THE KING LEASE, INC., a corporation duly organized and existing under and by virtue of the laws of the State of Colorado, party of the second part and lessee (hereinafter referred to as the "Lessee"), WITNESSETH:

1. The parties hereto have heretofore and as of the first day of January, 1948, executed and entered into an agreement of lease for a certain part of the mining properties and premises of the Lessor situate in the Mount Sneffels Mining District and the Red Mountain Mining District, in Ouray County, Colorado, and the Upper San Miguel Mining District in San Miguel County, Colorado, which said lease, together with a supplemental agreement in respect thereof entered into as of January 2, 1948, has, prior to the execution hereof, been in full force and effect. Pursuant to the terms of said lease the Lessee is still in possession of the premises therein described. In consideration of the execution of this agreement and of the covenants herein contained, the said lease dated January 1, 1948, between the parties hereto, and said supplemental Agreement, as well as all other leases, agreements milling permits, and contracts of every nature and kind between the parties, are hereby cancelled and abrogated as of this date, and this agreement of lease shall be held to set forth and contain all covenants and agreements of every nature and kind between the parties hereto.

2. The Lessor, for and in consideration of the royalties covenants and agreements hereinafter expressed and reserved and

by the Lessee to be paid, kept and performed, has leased, demised and let, and by these presents does lease, demise and let unto the Lessee all of the following described mining properties and premises to-wit:

> Such of the mining claims belonging to the Lessor which are situated in the Mount Sneffles Mining District and Red Mountain Mining District in Ouray County, Colorado, and the Upper San Miguel Mining District in San Miguel County, Colorado, as are set forth on the list of claims attached hereto as Exhibit A, and by this reference made a part hereof, the said claims being marked in red color upon the map attached hereto as Exhibit B and by this reference made a part hereof. Reference to said map and list is hereby made for greater particularity and the same shall be taken and considered as part of this agreement for the purpose of a description of the mining claims hereby leased. The said map and list is further identified by the signatures thereon of the parties to this agreement of lease.

3. The Lessee shall be entitled to use in connection with the property hereinabove demised and for the purposes of the lease aforesaid, all underground workings, trackage, pipe-lines, hoist machinery, and equipment in and about the demised premises and belonging to the Lessor, as well as the buildings and personal property referred to in Paragraph 5 hereof; and in consideration of the right to use said underground workings, trackage, pipe-lines buildings, machinery and equipment and personal property the Lessee agrees to maintain the same in good order, repair and condition, and upon the expiration of this lease to leave the same upon the demised premises in such good order, repair and condition, ordinary wear and tear excepted; and the Lessee shall not be entitled to remove any of such trackage, pipe-lines, buildings, machinery and equipment and personal property from the demised premises.

TO HAVE AND TO HOLD the above described mining properties and premises for the purpose of mining for a term of five (5) years from the first day of January, 1951, until midnight on the 31st. day of December, 1955, unless sooner forfeited or terminated through violation of any of the covenants and conditions hereinafter against the Lessee reserved and contained.

4. For and in consideration of said demise and lease of the properties and premises hereinabove described, the Lessee hereby covenants and agrees to and with the Lessor as follows:

(a) That it will enter upon the demised premises forthwith and from the date hereof commence and thereafter diligently continue the work of developing and mining the demised properties during the term of this lease in mine fashion and in a manner necessary and appropriate to good and economical mining so as to develop and take out the largest amount of ore possible with due regard to the preservation of the premises as a workable mining property, and to the special covenants herein contained.

(b) That it will work the mine and premises as aforesaid steadily and continuously during the period of this lease, and in doing said work will perform at least one hundred (100) shifts of underground work in each and every calendar month during the life of this lease; PROVIDED, HOWEVER, that if said Lessee shall do and perform not less than six hundred (600) shifts of underground work in each and every consecutive six (x) ~~so~~ this' period during the life of this lease, such work shall be deemed as the equivalent of the one hundred (100) shifts stipulated to be performed in each and every calender month. The word "shift" as used herein shall be taken and is hereby accepted and agreed to mean the labor of one (1) man for one (1) day of not less than an eight (8) hour period. Failure on the part of the Lessee to work said premises for a period of thirty (30) consecutive days shall be considered as a violation of this covenant and lease and shall, at the option of the Lessor, upon written notice from the Lessor to the representative of the Lessee hereinafter designated, work a cancellation of this lease; PROVIDED, HOWEVER, AND IT IS EXPRESSLY UNDERSTOOD AND AGREED that the obligation of the Lessee to perform work of some character and to some extent in said period of thirty (30) consecutive days shall

construed to modify the covenants hereinabove contained in respect to the time and manner of completing the designated number of shifts of mining labor so as to average not less than one hundred (100) shifts per calendar month in each consecutive six (6) months' period; BUT IT IS EXPRESSLY AGREED that stoppage of work caused by strikes, labor troubles, fires or other causes which in the sole judgment of the Lessor are beyond the control of the Lessee shall not constitute a violation of any of the covenants of this paragraph of this lease, except as hereinafter otherwise expressly stipulated.

(c) That it will well and sufficiently timber said mining properties and premises at all points where proper and necessary in accordance with good and safe mining.

(d) That it will make all shafts, drifts, tunnels and workings of proper size for the usual and economical methods of mining.

(e) That it will allow the Lessor, and its agents and representatives, from time to time to enter upon and into all parts of the demised premises and properties for the purpose of inspection, and will render to said parties proper assistance in making said inspection.

(f) That it will keep a map or maps showing the work done upon and in the demised premises, and furnish copies of tracings of such maps to the Lessor from time to time as required.

(g) That it will allow the authorized agents or representatives of the Lessor to take such samples as may be desired from any ore extracted from the premises, and anywhere on the premises.

(h) That it will keep all drifts, shafts and other mine workings made or used by it thoroughly drained and clear of loose rock and rubbish, unless prevented from doing so by extraordinary mine casualty beyond the power of the Lessee to prevent; to store no waste rock under

except with the written consent of the Lessor; and to keep all shafts, winzes, inclines and declines into the mine workings that would normally be used by it as always fully equipped at all times with substantial ladders throughout their entire lengths in order that all parts of the said leased premises shall be easily and safely accessible for the purpose of inspection; to keep all mine workings made or used by it in a safe and secure condition so as to guard against injury to life or limb of persons therein employed.

(i) That it will do no stoping of any kind within ten (10) feet of any shaft, raise or incline without the written consent of the Lessor. That any and all work which may be done by the Lessee in its use and occupation of the demised premises shall be done with due regard to the preservation of all shafts and stations used in mining, and no work will be permitted nor shall be done that in any manner whatsoever will or may tend to damage or impair the use of any of said shafts and stations.

(j) That it will occupy and hold on the property of the Lessor all cross and parallel lodes, spurs and mineral deposits of every kind which may be uncovered and disclosed or discovered within said demised premises by the Lessee, or any person or persons under or in privity with it, with the privilege to the Lessee to work and mine the same as part and parcel of the demised premises.

(k) That it will not assign this lease nor any interest therein, nor sublet any part of the demised premises without the written consent of the Lessor first had and obtained.

(l) (4) that all ores of salable or profitable grade mined under the terms of this lease shall be milled by the Lessee at its mill on the premises except provided in Paragraphs 4 (1) B and 4 (1) C below. All bullion and concentrates resulting from the milling of

ore shall be shipped and sold to a mint or smelter and removed by the Lessee, but in the name of the Lessor and as property of the Lessor, within a period of thirty days after the ore shall have been produced at the portal of the mine. Upon all ores milled in the mill of the Lessee on the premises the Lessee shall pay and deliver to the Lessor royalties computed with reference to bullion and concentrates derived from such ore and sold to a mint or smelter as herein provided, the amount of such royalties to be determined by the use of the following schedule:

MINING AVERAGE GROSS VALUE PER TON OF ORE MILLED IN A CALENDAR MONTH BOUNDS			RATE PER CENT OF ROYALTY [illegible] TO TOTAL NET [illegible] FROM BULLION, OR TWENTY [illegible] RETURNS FROM CONCENTRATES DERIVED FROM SUCH ORE MILLED
Up to	-	14.9999	5.0
15.00	-	15.9999	5.5
16.00	-	16.9999	6.0
17.00	-	17.9999	6.5
18.00	-	18.9999	7.0
19.00	-	19.9999	7.5
20.00	-	20.9999	8.5
21.00	-	21.9999	10.0
22.00	-	22.9999	11.5
23.00	-	23.9999	13.0
24.00	-	24.9999	14.5
25.00	-	25.9999	16.0
26.00	-	26.9999	17.5
27.00	-	27.9999	19.0
28.00	-	28.9999	20.5
29.00	-	29.9999	22.0
30.00	-	34.9999	23.5
35.00	-	39.9999	25.0
40.00	-	44.9999	27.5
45.00 and over			30.0

As used throughout this Agreement of Lease, the term "ton" shall be held to mean a short dry ton of 2,000 pounds.

(a) "Gross Value of Ore Milled," for any given period as applied to ore milled by the Lessee shall be determined by application of the following mathematical formula:

$$V = a + b,$$

where V = "Gross Value of Ore Milled"

and a = Value (as determined under the terms of the mint or smelter contracts in effect at the time) of

that portion of the metal contents of bullion or concentrates produced from the ore milled, which is paid for by the mint or smelter under the terms of the said mint or smelter contracts, without any deduction for cost of transportation of the bullion or concentrates from the mill to the mint or smelter, or for cost of extracting the metals.

and b- Value of the metal content of the mill tailings, said value being calculated at the same price per unit of weight for each metal as is paid by the mint or smelter, for the metals in the bullion and concentrates produced from the ore milled, before any deductions.

(b) "Gross Value Per Ton of Ore Milled" for any given period, as applied to ore milled by the Lessee shall be determined by dividing the "Gross Value of Ore Milled" for the period concerned, as determined in accordance with Paragraph 4(1)A (a) avove, by the number of tons of ore milled by the Lessee during the same period.

(c) "Net Smelter Returns of Ore Milled" for any given period, as applied to ore milled by the Lessee shall be determined by substracting from "Gross Value of Ore Milled" for the same period, as determined in accordance with Paragraph 4(1)A(a) above, the cost of transportation of the bullion or concentrates from the mill of the Lessee to the mint or smelter and the net charges made by the mint or smelter for extracting the metals.

The "Gross Value Per Ton of Ore Milled" and the rate of royalty shall be determined in the manner aforesaid for each calendar month separately for all ore milled during that month, and such royalty rate when so determined shall apply only to the "Net Smelter Returns of Ore Milled" for the said ore. The total "Gross Value of Ore Milled," the Gross Value, Per Ton of Ore Milled, the rate of royalty, the "Net Smelter Returns of Ore Milled" and the amount of royalty shall be computed monthly in New York office of the Agent of the Lessor with the

method and with the detail shown on the "Production Sheet," one copy of which "Production Sheet" is hereto attached and market Exhibit "C". Information on the mint or smelter settlement statements shall be accepted in making all calculations

B) The Lessee shall notify the Lessor immediately in the event that gold ore assaying two (2) ounces of gold or more per ton shall be discovered and such ore shall, ifthe Lessor so directs, be mined separately and be shipped direct and sold to a smelter as crude ore for direct smelting within a period of thirty days after the same shall have been produced at the portal of the mine. Upon all such crude ore mined and shipped to a smelter for direct smelting as herein provided, the Lessee shall pay to the Lessor royalties, the amount of which shall be determined by use of the following schedule:

WHERE AVERAGE GROSS VALUE PER TON OF CRUDE ORE IN ANY LOT OR LOTS, EQUALS			RATE PER CENT OF ROYALTY TO BE APPLIED TO TOTAL NET SMELTER RETURNS FOR SUCH LOT OR LOTS.
Up to	-	$14.9999	5.0
$15.00	-	15.9999	5.5
16.00	-	16.9999	6.0
17.00	-	17.9999	6.5
18.00	-	18.9999	7.0
19.00	-	19.9999	7.5
20.00	-	20.9999	8.5
21.00	-	21.9999	10.0
22.00	-	22.9999	11.5
23.00	-	23.9999	13.0
24.00	-	24.9999	14.5
25.00	-	25.9999	16.0
26.00	-	26.9999	17.5
27.00	-	27.9999	19.0
28.00	-	28.9999	20.5
29.00	-	29.9999	22.0
30.00	-	34.9999	23.5
35.00	-	39.9999	25.0
40.00	-	44.9999	27.5
45.00 and over			30.0

(a) "Gross Value of Crude Ore" for any given lot or lots, as applied to crude ore shipped by the Lessee direct to a smelter for direct smelting, shall be the value (as determined under the terms of the smelter contract in effect at the time) of that portion of the metal conte

of the crude ore which is paid for by the smelter under the terms of the said smelter contract, without any deduction for cost of transportation of the crude ore to the smelter or for cost of extracting the metals.

(b) "Gross Value Per Ton of Crude Ore" for any given lot or lots, as applied to crude ore shipped direct to a smelter for direct smelting, shall be the "Gross Value of Crude Ore," as determined in accordance with Paragraph 4(1)B(a) above, divided by the dry tons of crude ore in the lot or lots as shown on the smelter settlement statement for the lot or lots of crude ore concerned.

(c) "Net Smelter Returns of Crude Ore" for any given lot or lots, as applied to crude ore shipped by the Lessee direct to a smelter for direct smelting, shall be determined by subtracting from the "Gross Value of Crude Ore," as determined in accordance with Paragraph 4(1)B(a) above, the cost of transportation of the crude ore from the portal of the mine tunnel to the smelter and the net charges made by the smelter for extracting the metals contained in the ore.

The "Gross Value Per Ton of Crude Ore" shipped to a smelter for direct smelting and the rate of royalty shall be determined in the manner aforesaid for each lot as shipped, and such royalty rate when so determined shall apply only to the "Net Smelter Returns of Crude Ore" shipped in that lot, PROVIDED THAT, if several lots of crude ore of approximately equal value should be shipped simultaneously or in immediate succession, the local representatives of the Lessee and the Lessor may agree that the "Gross Value of Crude Ore" shipped to a smelter for direct smelting and the rate of royalty may be determined in the manner aforesaid for any number of lots up to a minimum of five, as if shipped as a single

The term "lot" as used in this paragraph only shall mean a quantity of crude ore not greater than one standard railroad carload of approximately 50 tons. Information on the smelter settlement statements shall be accepted in making all calculations. A statement showing in detail the calculation of "Gross Value of Crude Ore", Gross Value Per Ton of Crude Ore," the rate of royalty, the "net Smelter Returns of Crude Ore" and the amount of royalty for the lot or lots concerned shall be prepared in the New York office of the Agent of the Lessor.

C) In the event that the Lessee, or sublessees, mine ore which can be more advantageously milled in the custom mill now owned and operated by the American Zinc, Lead and Smelting Company and located near the town of Ouray, Colorado, than in the mill of the Lessee on the premises, the Lessee may, with the written consent of the local representative of the Lessor, ship and sell such ore to said mill for treatment and sale. All such ores which are shipped and sold to the said custom mill shall be shipped and removed by the Lessee, but in the name of the Lessor and as a property of the Lessor. The royalty due the Lessor shall be calculated in the New York office of the Lessor.

(a) Royalty on ores sent direct to a custom mill and covered by this Paragraph 4(1)(C) shall be calculated in such a way as to give Lessor a royalty as nearly as possible the same as Lessor would have received had the ore been put through the mill of the Lessee.

(b) The exact procedure for arriving at this royalty shall be the subject of negotiation from time to time as circumstances require, provided that no ore shall be shipped to the said custom mill until an agreement has been reached as to the procedure for computing royalty on it.

(m) That it will furnish the Lessor with monthly reports and statements of accounts of all ores mine and sold from said above demised premises, which reports and statements shall be complete and accurate as to the details of the expense of production and all other items of cost incident to the mini

said ores so that they will present in form and substance a basis sufficient to meet the requirements of the State of Colorado when presented to the Assessors of the respective counties of said State in which any of the demised property may be situate, to determine the net proceeds of such ores and production for the purpose of making assessment of said properties or output therefrom for taxation; and will cause the smelter, sampler, mill, reduction works, or mint by which said ores, bullion or concentrates, may be treated or to which they may be sold, to furnish the Lessor with duplicate settlement statements; and all royalties upon any such ores shall be subject to the order and direction of the Lessor from time to time as to the manner of payment.

(n) That it will pay all taxes assessed against production in the manner following, to-wit:

Upon the receipt of definite and final returns from any and all ores sold, the Lessee shall pay or cause to be paid to the Lessor an amount equal to one per cent (1%) of the hereinabove mentioned net proceeds of each settlement; said amount in each case to apply on account of such taxes and to be retained by the Lessor as a guaranty of the performance by the Lessee of the covenant concerning payment of taxes; and in the event that the amount of the tax payable as aforesaid, when assessed, shall be greater than the aggregate of the sums paid by the Lessee to the Lessor on account thereof, the Lessee hereby further covenants and agrees to pay and shall pay to the Lessor, immediately upon demand, any deficit in amount necessary to pay in full such taxes so assessed; and if the amounts previously paid by the Lessee to the Lessor as aforesaid on account of taxes assessable against production shall exceed the amount requisite therefor, the Lessor agrees to adjust with and refund to the Lessee such excess amounts.

(o) That it hereby acknowledges and agrees that it has received from the Lessor due notice and has information of the present dangerous condition of the workings in and about the demised premises and of the insufficient and decayed condition of timbers therein, and it hereby agrees to notify all persons

employed or permitted by it to enter upon said premises of such condition, and Lessee agrees to protect and hold harmless Lessor of and from any and all legal liability, and will assume at Lessee's own expense the defense of any suit, arising from any accident occurring during the term of this lease either to the Lessee or to any of its assigns, agents, employees or to any other person in and about the demised premises, including buildings and parts of buildings, referred to in Paragraph 5, which Lessee is permitted to use, and the claims for depositing tailings referred to in Paragraph 4( ); provided that by the foregoing Lessee does not indemnify Lessor against any liability which Lessor may have to any of Lessor's agents or employees. The Lessee further agrees that, in accordance with the laws of the State of Colorado, it will carry Workmen's Compensation insurance in a sum sufficient to protect it, as well as the Lessor, against any and all liability for injuries to Lessee's employees which may occur on or about said premises, and such insurance shall be in force and effect when the Lessee takes possession of the demised premises under this lease; that it will further comply with all laws and regulations of any Bureau or Commission constituted under the laws of the State of Colorado governing and having jurisdiction of the operation of metal mining; and that it will comply with all applicable Federal and State laws, particularly the "Federal Unemployment Tax Act," the "Federal Insurance Contributions Act", and the "Colorado Employment Security Act."

(p) That it will post at once and keep posted in conspicuous places on said premises notices stating that the premises are being operated by it under the terms of this lease, and that it, and not the Lessor, will be liable for all labor performed and materials and supplies used on said demised premises, and as well that the Lessee will be responsible for any and all indebtedness incurred in and about the operation of the demised premises; and that it will hold the Lessor harmless from all loss and

damage arising from anything done or omitted to be done by it, or its employees, under this lease; and that the Lessee will pay all indebtedness which it may contract in the mining operations prosecuted by it under the terms of this lease; and that if, by reason of the failure of the Lessee to pay any such bills or expenses, any lien or liens shall be filed against said demised premises, the Lessor may forthwith pay off and discharge the same, and the Lessee holds itself bound to repay to the Lessor all sums so advanced or paid to clear said premises from liens which may be filed as aforesaid, and the Lessor may also, at its election, declare and give notice of a termination of this lease in the manner herein provided.

(g) That all tailings resulting from milling operations hereunder shall be deposited by the Lessee upon the Emily Millsite, Survey No. 5478, Gertrude Millsite, Survey No. 1543B, the Declaration Millsite, Survey No. 722B, or the Sunlight Placer, Survey No. 17309. In order to deposit such tailings upon the Sunlight Placer, Survey No. 17309, it is necessary to cross property belonging to persons not a party to this agreement; and the Lessee represents that it has secured such right or permission of the owners of such intervening property, and covenants that it will not store such tailings upon said Sunlight Placer at any time during the term of this lease without such permission. The Lessor hereby grants to the Lessee during the term of this lease the right to cross property belonging to the Lessor but not covered by this agreement of lease to the extent necessary to deposit tailings in strict accordance with this sub-paragraph (g).

5. (a) The Lessor agrees that the Lessee, during the term of this agreement of lease, shall be allowed to enter into possession of and in connection with the mining operations hereinabove described use and occupy the following

buildings and parts of buildings owned by the Lessor, but which are not upon the premises leased hereby:

(1) The entire portion of the Stamp Mill Building west of the long skylight, together with the entire third floor of said building and the bins immediately below the third floor.

(2) All buildings occupied by the Lessee as shown on the schedule attached hereto as Exhibit "D-1" and the aerial photograph attached hereto as Exhibit "D-2", respectively, it being expressly understood that the Lessor retains possession of all buildings and parts of buildings, whether or not on the mining claims referred to in Paragraph 2, not described or designated in this Paragraph 5 for use by the Lessee. Portions of said buildings shall be subject to joint use by other persons under the terms and conditions specified in Paragraph 8 hereof.

(b) The Lessor agrees that the Lessee shall have the right of ingress and egress (across property of the Lessor not covered hereby) to and from all buildings and parts thereof which the Lessee is entitled to occupy under the terms hereof.

(c) The Lessee shall also have the right to use during the term of this lease the personal property belonging to the Lessor and listed upon Exhibit "E" attached hereto and by this reference made a part hereof.

6. In consideration of the right to use said buildings and portions of buildings hereinabove described and the said personal property hereinabove described, the Lessee hereby covenants and agrees to and with the Lessor as follows:

(a) The Lessee at its own expense shall-

(1) At all times provide and maintain ample and adequate fire protection for all buildings and structures belonging to the Lessor and listed on the said Exhibit "D-1", whether or not occupied whole or in part by the Lessee.

(2) At all times keep all premises of the Lessor, whether or not used or occupied by the Lessee hereunder, clean and free from refuse and garbage resulting from any of the Lessee's activities.

(3) Promptly and whenever necessary remove snow from the roofs of all buildings listed on Exhibit "D-1" attached hereto, as occupied by it, and from the entire Stamp Mill Building, so that the same shall not be unduly burdened with snow.

(b) The Lessee shall purchase sufficient electric current to light the entire premises, including all buildings listed on Exhibit "D-1", charging the Lessor on a proportionate basis of cost for the current used by it.

(c) The heating plant shall be under the control of and operated by the Lessee, and Lessee shall furnish at all times adequate heat to buildings listed on Exhibit "D-1" occupied by Lessor. The Lessor shall pay the Lessee a proportionate part of the expenses, fuel and labor incurred by the Lessee in the operation of said heating plant heating the buildings listed on Exhibit "D-1". Such proportionate part of such expenses shall be determined on the ratio of room space heated fro the Lessor to total room space heated.

(d) All buildings listed on Exhibit "D-1" shall be insured against loss by fire in the name of Camp Bird, Ltd. as the owner thereof, and the Lessee shall reimburse the Lessor for premiums, or the proportionate parts of premiums on insurance on buildings listed on Exhibit "D-1" as occupied by the Lessee.

(e) As compensation for the use of the buildings listed on Exhibit "D-1" hereto, as occupied by the Lessee, and the said personal property, the Lessee shall pay to the Lessor, in cash, on or before the tenth day of each month, the sum of $125.00, as rental for the preceding month.

The first of such rental payments shall become due on February 10, 1951, and the last on January 10, 1956.

(f) The Lessee agrees during the term of this lease to perform such annual labor, and to prepare, cause to be executed and file such affidavits, certificates and other documents with the proper governmental authorities and with the County Clerk and Recorder of the County in which the claim is located, as may be necessary in order to maintain in good standing and to prevent loss of any unpatented mining claims covered by this agreement of lease.

7. For the considerations aforesaid the Lessee further covenants and agrees to and with the Lessor that it will deliver to the Lessor quiet and peaceable possession of all said demised properties and premises, and the said buildings and portions of buildings in good order and condition, with all drifts, tunnels and other passages, in and through which it has conducted its mining operations under the terms of this lease, thoroughly timbered and cleared of loose rock and rubbish the said premises ready for immediate continued working, without demand or further notice, on the 31st. day of December, 1955, at midnight, or at any time previous thereto upon demand for forefeiture; AND IT IS MUTUALLY UNDERSTOOD AND AGREED that all buildings and other surface improvements, and all machinery in the compressor room and all movable machinery, tools, transformers, appliances, materials and supplies placed in or about the demised premises, and in the buildings and parts of buildings referred to in Paragraph 5 which Lessee is permitted to use, by the Lessee during the life of this lease and during preceding leases between the parties hereto may be removed therefrom by the Lessee within a period of six (6) months after the expiration or termination of this lease in any manner: PROVIDED, HOWEVER, that no such buildings, improvements, machinery tools, appliances, materials and supplies shall be so removed while the Lessee may in any manner obligated to the Lessor under any

obligation incurred under the terms of this lease, and the Lessor shall have a lien upon such property for the payment and satisfaction of any such obligation; AND PROVIDED FURTHER, that the period of six (6) months' time given hereby to the Lessee for the removal of such property contemplates and is intended to cover the contingencies and consequences dependent upon adverse climatic conditions, and if, in the event such climatic conditions do not permit of the removal of said property by the Lessee within the time so limited, the Lessee shall have such additional time as may be required to effect such removal when said climatic conditions shall permit of the necessary operations and transportation incident thereto.

8. During the term of this lease the Lessor may authorize or permit others, by lease or otherwise, to enter upon, occupy, mine or develop other mining claims owned by it in the vicinity of the mining claims referred to in Paragraph 2. The Lessee agrees that upon request of the Lessor it will permit the following properties listed on Exhibit "D-1":

Portal Building #2 (limited to right of way only through portal building to and from main tunnel of Camp Bird Tunnel, Mining and Transportation Company),
Boarding House #9
Employees' Rooming House #11
Rooming and Recreation House #10
Oil House #5
Tank House #12
Abandoned Machine Shop #13

and the contents of each belonging to the Lessor, to be used jointly by the Lessee and such other person or persons: PROVIDED that such occupancy shall not deprive the Lessee of quarters or facilities necessary for its operations hereunder. In the event the Lessee and such other person or persons cannot agree as to the division by them of the expense of the Lessee in respect to such jointly used property the respective amounts of such expenses to be paid by the Lessee and such other person or persons shall be determined upon the estimated respective percentage of use by Lessee and such other person or

persons. The Lessor's determination as to such division, unless arbitrary or capricious, shall be binding upon the Lessee. The Lessor agrees to require such other person or persons to agree by contract to reimburse the Lessee for their respective portions of such expenses thus determined.

9. During the term of this agreement the lessee shall have the right to use any and all water rights belonging to the Lessor from Imogene Creek or any of its tributaries, to the extent necessary or appropriate for the performance by the Lessee of its covenants, obligations and operations hereunder. Such use shall not extend to the sale or leasing of any portion of the said water rights. Such use shall be subject, however, to the prior right of the Lessor to use the said water rights for its own purposes for domestic use.

10. IT IS FURTHER UNDERSTOOD AND AGREED by and between the parties hereto as follows:

(a) That if a violation of any covenant or condition hereof should occur, which forfeits or permits the Lessor to terminate the right of the Lessee hereunder to remain in possession of any part or portion of the premises hereby leased, or any of the buildings or personal property shown on Exhibits "D-1" and "E" hereto as occupied by the Lessee, such violation shall be deemed to extend to the whole of the premises and buildings and personal property referred to on Exhibits "D-1" and "E", and similarly to forfeit or allow the Lessor to terminate all rights of the Lessee in and to all such mining claims, millsites, properties, premises, personal property and buildings.

(b) That upon the violation of any covenant or condition herein contained or reserved, the Lessor may, at its election, notify the Lessee in writing thereof, and unless Lessee's defaults specified in such notice have been remedied within a period of sixty (60) days from the giving of such notice, the term of this lease shall thereupon, if Lessor so elects, expire and terminate, the said premises shall become

forfeited to the Lessor and the Lessor or its agents may then upon enter upon said premises and dispossess all persons occupying same, with or without force, and with or without process of law, and at the option of the Lessor the Lessee and all persons found occupying said premises or any part thereof, may be proceeded against as guilty of an unlawful detainer.

(c) That this agreement shall not be placed of record in any public office within the State of Colorado, and if the same shall be done, either directly or indirectly, by or for the Lessee, this agreement shall become null and void and all rights hereunder granted to the Lessee shall terminate forthwith.

(d) James E. Groves of Grand Junction, Colorado, is hereby designated, authorized and empowered to act by and on behalf of the Lessee in any and all matters and questions which may arise between the Lessee and the Lessor under the terms of this Agreement of Lease. Any notice to be given by the Lessor to the Lessee under the terms hereof shall be deemed to have been properly served upon the Lessee if addressed to the Lessee % James E. Groves, Suite 501 First National Bank Building, Grand Junction, Colorado, and deposited in the United States mail under registered cover with postage prepaid. The Gold Fields American Development Company, Ltd., is hereby designated authorized and empowered to act by and on behalf of the Lessor in any and all matters and questions which may arise between the Lessee and the Lessor under the terms of this Agreement of Lease, and any notice to be given by the Lessee to the Lessor under the terms hereof shall be addressed to the Lessor in care of said The Gold Fields American Development Company Ltd., 70 Pine Street, New York 5, New York, and deposited in the United States mail under registered cover with postage prepaid.

(e) That time is of the essence of this agreement and of each and every portion hereof; and all the covenants and conditions herein contained shall extend to and be binding upon the successors and assigns of each and all the parties hereto; PROVIDED, HOWEVER, that the Lessee shall not have the right to assign, or sublet or sublease its rights hereunder without the written consent of the Lessor.

(f) Exhibits "A", "B", "C", "D-1", "D-2" and "E" attached to this Agreement of Lease are incorporated in this lease and made a part hereof to the same extent as if set forth at length herein.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first hereinabove written.

CAMP BIRD LIMITED,

BY _____
Agent.

THE KING LEASE, INC.,

By _____
President.

Attest:

_____
Secretary.

CLAIMS TO BE LEASED TO KING LEASE, INC.

OURAY COUNTY

PATENTED CLAIMS

1.	Glen Monarch	535A	19.	Pythian	12877
2	Yellow Rose ✓	576A	20.	Tam O'Shanter	13992
3.	Agnes ✓	721A	21	Juneau Nos 2	14450
4.	Declaration ✓	722A	22	Boxer	14450
5.	Una	738A	23	Dodo	14450
6.	Gertrude	1548 A	24	Basuto	14773
7.	Camp Bird	11611	25	Cosmos	14773
8.	Oro Cache	11969	26	St. Paul	15370
9.	Mojave	11969	27	Compass	15370
10.	Jicarilla	11969	28	Tramp	15405
11.	Mogul (Moqui?)	11969	29	Sebastopol	15405
12.	Ivanhoe	12031	30	Monte Carlo	15405
13.	Yallar Dorg	12031	31	White Swede	15405
14	Canuck	12165	32	Yellow Bird	15473
15.	Deadwood	12637A	33	Moraine	16236
16.	Rigel	12748	34	White Soud	16236
17.	Scorifier	12875	35	Gore	18750
18.	Zephyr	12876	36	Rebecca	18750

UNPATENTED CLAIMS

Altitude

Lone Hand

CLAIMS TO BE LEASED TO KING LEASE, INC.
SAN MIGUEL COUNTY.
PATENTED CLAIMS.

R. S. Robson	1833
Vera Cruz	2450
Divide	12875

Exhibit "A" to Agreement of Lease
dated January 1, 1951

THIS AGREEMENT made and entered into IN TRIPLICATE, as of the first day of January, 1951, by and between THE CAMP BIRD TUNNEL, MINING AND TRANSPORTATION COMPANY, a Colorado corporation (hereinafter described as the "Tunnel Company"), and THE KING LEASE, INC., also a Colorado corporation (hereinafter described as the "Licensee"). WITNESSETH:

In consideration of the covenants and agreements hereinafter contained, the parties hereto have this day agreed among themselves as follows:

1. Camp Bird Limited, a corporation duly organized and existing under and by virtue of the laws of the United Kingdon of Great Britain and Northern Ireland, and Licensee have prepared and are now ready to execute and put into effect a certain written agreement of lease dated as of January 1, 1951, which agreement of lease is hereinafter referred to as the "Principal Lease". The Tunnel Company hereby gives and grants to Licensee, for and during the term of said Principal Lease, the right and privilege:

(a) to use the Tunnel Company's tunnel together with its tracks, pipelines, and air receivers from Portal to Tunnel Station:

(b) to use all surface tracks of the Tunnel Company serving its various dumps, and the water developed in the Camp Bird Tunnel;

(c) to use waste disposal dumps of the Tunnel Company for development waste and other discarded material;

(d) to use all buildings, if any, belonging to the Tunnel Company which are situated and located at the Portal of the tunnel belonging to the Tunnel Company, and to use all equipment belonging to the Tunnel Company shown in detail upon Exhibit "A" attached hereto and by this reference made a part hereof, subject, however, to the covenants and

agreements and upon the conditions hereinafter set forth.

2. The Licensee shall, at its own sole cost and expense:

(a) maintain the tunnel from Portal to Tunnel Station, including said Tunnel Station, together with all surface and underground tracks and underground pipelines, and air receivers, if used;

(b) maintain the tunnel drainage ditch from Portal to Tunnel Station;

(c) maintain said buildings and equipment in a good state of repair, and at the termination hereof return the same to the Tunnel Company in as good condition as when received by Licensee less ordinary wear and tear incident to its use.

3. The properties to be operated or used by Licensee under the terms hereof shall be used and operated in a manner satisfactory to the Tunnel Company; and all maintenance work to be done by Licensee under the terms hereof shall be done in a manner satisfactory to the Tunnel Company.

4 Licensee shall not store blasting powder, caps, or any other explosives on the surface of any of the premises or property, or in any of the buildings of the Tunnel Company.

5. Licensee shall, in accordance with the laws of the State of Colorado, carry Workmen's Compensation insurance in a sum sufficient to protect it as well as the Tunnel Company against any and all liability for injuries to Licensee's employees which may occur on or about the said premises; and such insurance shall be in force and effect when the Licensee takes possession of the premises. Licensee further agrees that it will comply with all the laws and regulations of any Bureau or Commission constituted under the laws of the State of Colorado governing and having jurisdiction of any of its operations.

5. If in the opinion of the Tunnel Company it is necessary or expedient to do so, this agreement shall be submitted to the Public Utilities Commission of the State of Colorado, and all

rights and privileges of the Licensee are subject to any duties or obligations imposed or incumbent upon the Tunnel Company under its Articles of Incorporation or the laws of the State of Colorado.

7. The execution of the Principal Lease by Licensee is one of the considerations for the execution of this agreement by the Tunnel Company, and this agreement shall not become operative or effective until and unless the Principal Lease shall have been executed and be in effect; and all rights and privileges herein granted to said Licensee are in connection with the operations to be carried on under and by virtue of said Principal Lease and are subject thereto; and upon the expiration or forefeiture of the Principal Lease, for any cause whatever, all rights acquired by the Licensee hereunder shall immediately terminate.

8. Tunnel Company shall have and retain the right and privilege to grant to others the right to use the Tunnel and other properties referred to in Paragraph 1 hereof jointly with King Lease, Inc., provided that such use shall not unreasonably limit nor interfere with the operations of King Lease, Inc. under the said Principal Lease with Camp Bird, Limited referred to in Paragraph 1, on a basis where each such user will pay its fair share of the costs and expenses in respect of the maintenance and use of the property referred to in Paragraph 1, hereof, such fair share to be agreed upon from time to time by the users of said property, but in the absence of such agreement, such fair share shall be determined upon the basis of the percentage of use of such property. The decision of the Tunnel Company as to such division, unless arbitrary or capricious, shall be binding upon Licensee. In the event any such right is granted by Tunnel Company Licensee agrees to fully cooperate with the grantee thereof to the full extent of its ability to the end that the maximum use of

the property referred to in Paragraph 1 hereof shall be made Tunnel Company reserves the right to make such rules and regulations for the joint use of the property referred to in Paragraph 1 hereof as may be necessary to insure maximum use thereof if the users thereof cannot agree among themselves as to the terms, provisions and details of such joint use. Licensee agrees to comply with any such rules and regulations promulgated by Tunnel Company.

IN WITNESS WHEREOF, the parties hereto have caused their names to be hereunto subscribed and their corporate seals to be hereto affixed by their offices who have been thereunto duly authorized, as of the first day of January, A. D. 1951.

THE CAMP BIRD TUNNEL, MINING AND TRANSPORTATION COMPANY,

BY _____
President

Attest:

_____
Secretary

THE KING LEASE, INC.

Attest:

By _____
Vice-President.

_____
Secretary

Machine Shop at Portal - - - Item 2 Exhibit B-1 to Principal Lease

1 Westinghouse Motor No. 69279 100 H. P.

1 " " " 274154 20 H. P.

1 " " " 212065 20 H. P.

1 " " " 129937 20 H. P

1 " " " 125969 100 H. P.

1 " " " 404430 10 H. P.

1 " " " 550474 50 H. P.

1 Generator, No. 213909-- 15 kw

1 Blacksmith forge, anvil, complete set blacksmith tools

1 Large air receiver

6 small, 1 ton rocker type, tunnel cars

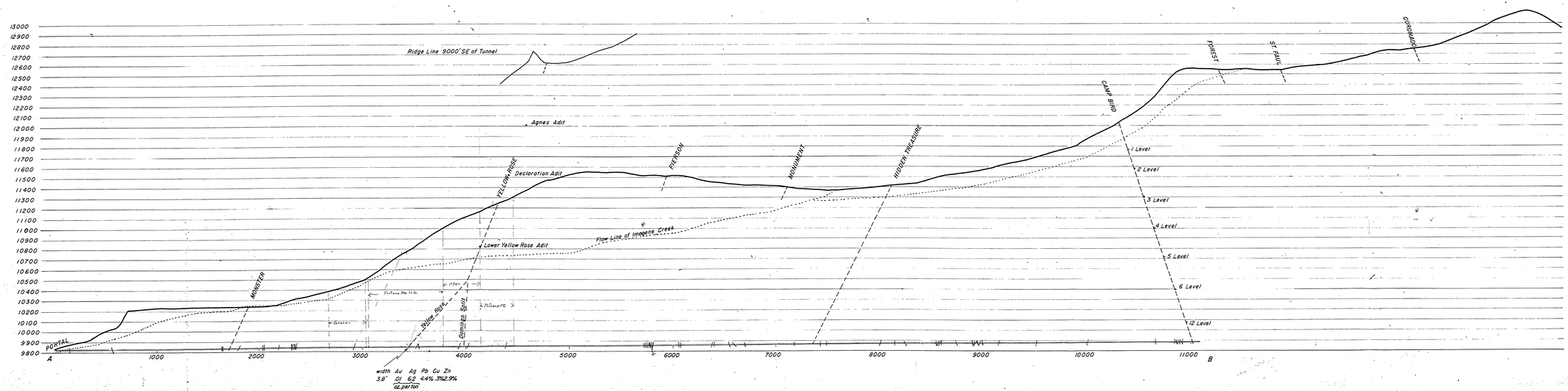
1 4" jaw crusher, sample room

2 Westinghouse locomotives, 3½ ton, marked No. 1 and No. 2 on frames

1 Goodman switcher locomotive, 2 ton, marked No. 3 on frame.

Exhibit "A" to Agreement dated

January 1, 1951.

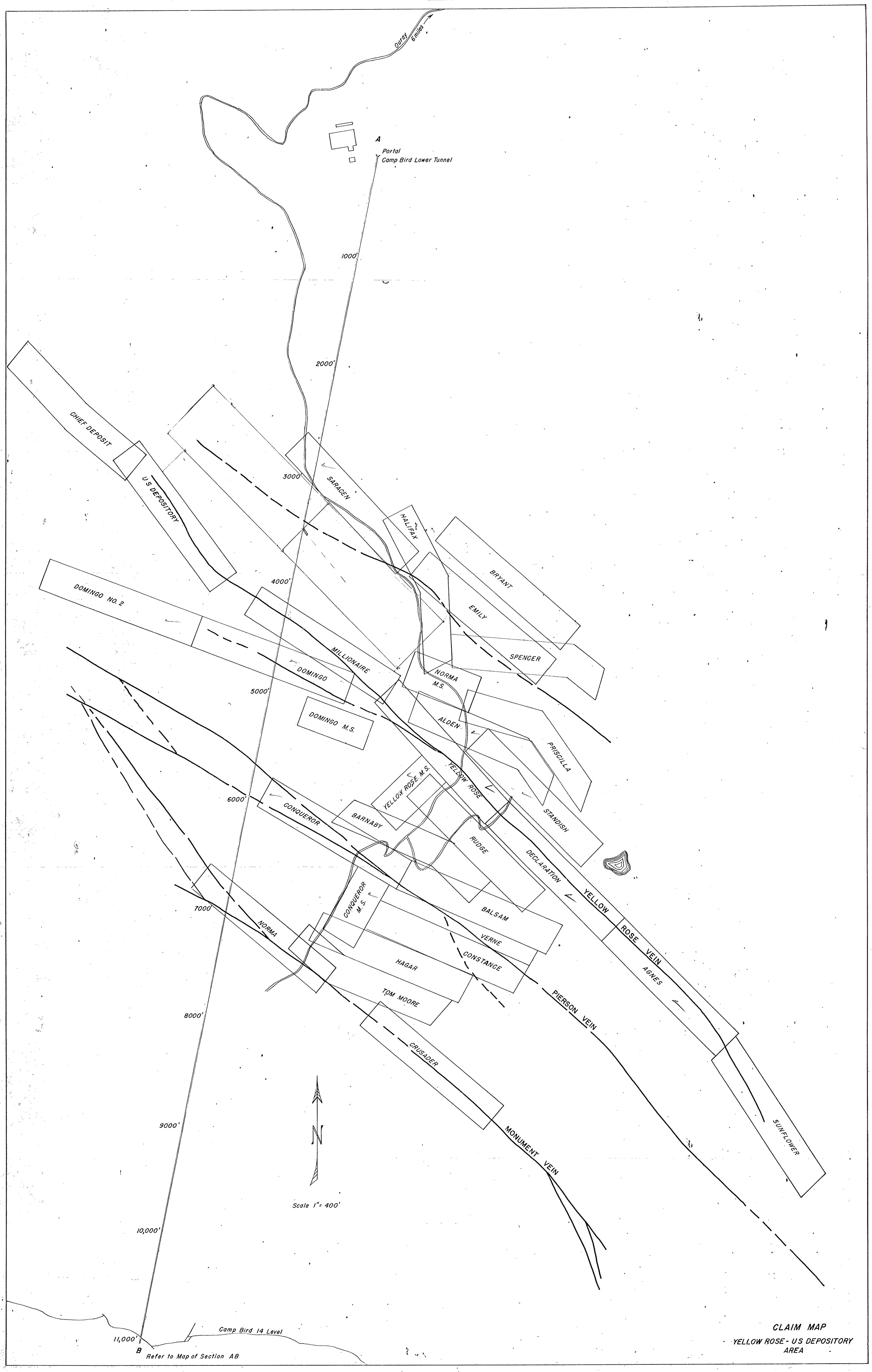


SECTION ON LINE OF CAMP BIRD LOWER TUNNEL

S 11° 52' W

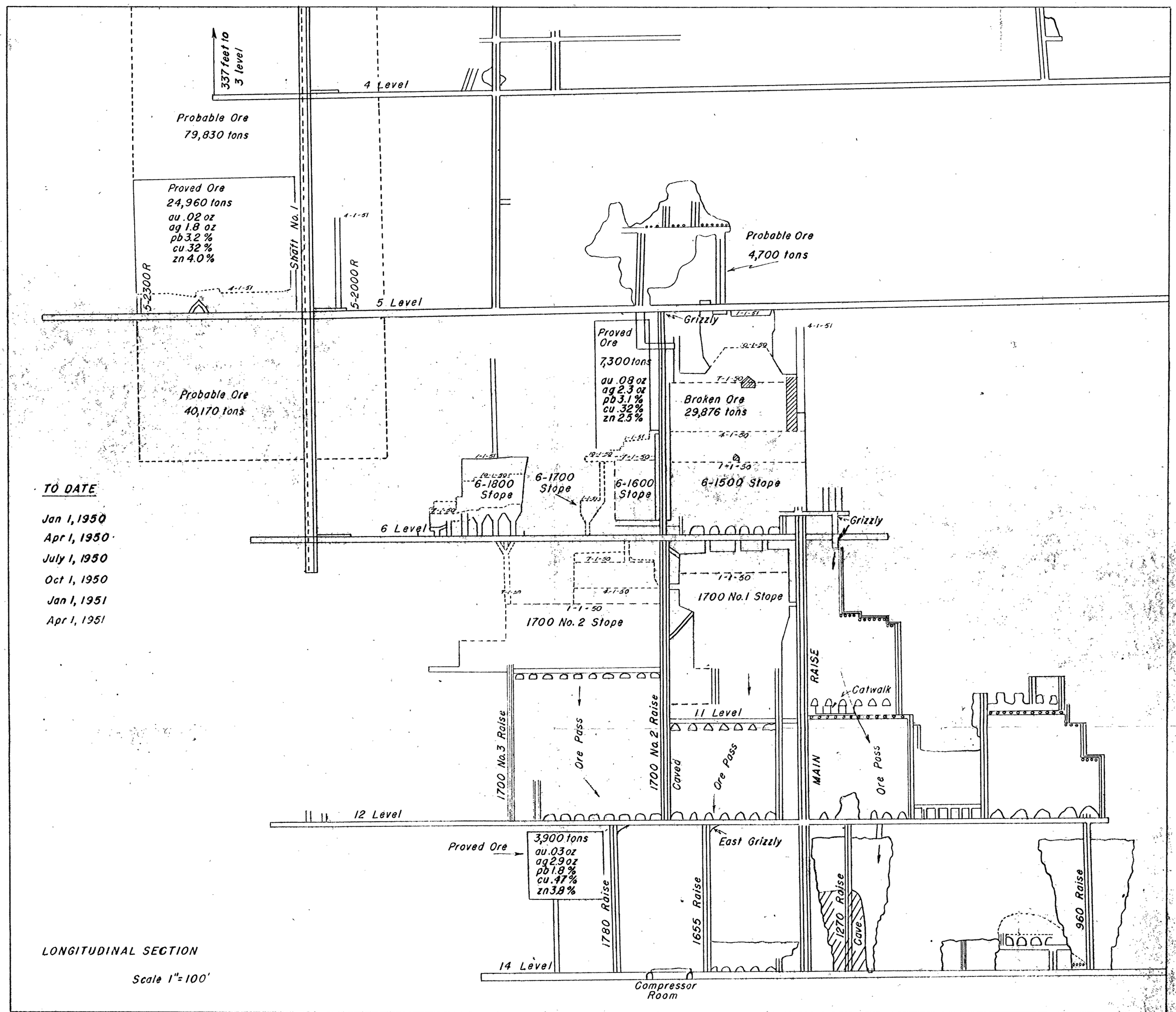
Scale 1" = 400'

Refer to Claim Map of Yellow Rose – US Depository Area



CLAIM MAP

YELLOW ROSE - US DEPOSITORY AREA



KING LEASE WEST WORKINGS

CAMP BIRD MINE