MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. 2313 Docket No. 6885

Application
- [ ] Denied
- [x] Withdrawn

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

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

Folder No. 1:

Left Side

- [ ] Royalty Audits Possible
- [x] Certification of Discovery 8/19/77
- [ ] Closing Letter
- [x] Cost Audits 8/4/77
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam. Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

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

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

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty Material

72195-65

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

UNITED STATES OF AMERICA
CERTIFICATION OF POSSIBLE PRODUCTION
UNDER AN EXPLORATION CONTRACT

Mr. Charles H. Turner and
Ms. Anne Z. Turner d/b/a
Hamilton Resources Corporation
P.O. Box 3224 Hi Mar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Pursuant to Article 7 of the referenced contract, as amended, the Government hereby certifies that mineral or metal production may be possible as a result of the exploration work completed under the contract at the San Juan mine.

Therefore, royalties shall be paid to the Government as provided in the contract on all production from the land described in the contract from June 17, 1974, to June 17, 1984, or until the total amount, $16,255, contributed by the Government under the contract is fully repaid with interest at the rate of 9-3/4 percent per annum, whichever occurs first. The payment of royalties is secured by a lien upon the land and upon any production therefrom.

Royalty payments should be made in favor of the U.S. Geological Survey and mailed or delivered to the Field Officer, Office of Minerals Exploration, Region III, U.S. Geological Survey, Box 25046, Mail Stop 932, Denver Federal Center, Denver, Colorado 80225. Each payment should be accompanied by two copies of settlement sheets or other suitable sales evidence showing the date of sale, name of the purchaser, the quantity and grade of production sold, the price per unit, and the gross proceeds and allowable deductions therefrom. The purchaser should be notified of the Government's royalty on production and directed to pay the royalty, computed as provided in the contract, directly to the Government.

The Field Officer should be promptly notified upon the commencement of any production and upon any extended cessation thereof. Production unsold or unused six months after extraction from the ground should be reported promptly to the Field Officer.

Attention is specifically invited to the provisions of Article 2(c) of the Contract referring to the preservation of the Government's royalty rights. Two true copies of any instrument transferring, surrendering, or encumbering any of your rights in the lands embraced in the contract shall be furnished to this office.

Dated this 19th day of August, 1977.

THE UNITED STATES OF AMERICA

Harold Kirkemo

Chief, Office of Minerals Exploration
U.S. Geological Survey

United States Department of the Interior

OFFICE OF THE SECRETARY
OFFICE OF AUDIT AND INVESTIGATION
EASTERN REGION
Ballston Towers #1
800 N. Quincy Street, Room 401
Arlington, Virginia 22217

AUG 4 1977

Memorandum Audit Report

To: Director, Geological Survey

From: Regional Audit Manager

Subject: Contract No. 2313
Docket No. OME-6885 (Silver-Gold)
Hamilton Resources Corporation
San Miguel Co., Colorado

At the request of the Chief, Office of Minerals Explorations (OME), we have reviewed the records maintained by OME of the costs applicable to the subject contract. Our desk review of the contract records was made in July 1977.

Contract No. 2313 (Contract) was awarded June 17, 1974, for a maximum allowable cost of $32,940 with OME participating to a maximum of $24,705. Work under the Contract was to begin on or before September 15, 1974, and was to be completed within 12 months of the Contract date or when allowable costs exceeded $32,940. Subsequent amendment extended the completion time to 33 months from the contract date.

The Contractor was to explore the San Juan mine for gold, silver, copper, and lead ore bodies by drifting northeastward on the San Juan vein in the No. 2 drift, A tunnel level, in igneous rocks associated with the Ophir stock.

Repayment of disbursed Federal funds, with simple interest at 9-3/4 percent, was to be made on the basis of established royalties on all commodities produced from the land during the exploration operations and for a period of 12 years from the date of the Contract should a certification of possible production be issued by OME.

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

On June 23, 1977, the operator submitted a final report and on July 1, 1977, the Region III Field Officer recommended that a discovery not be certified and that the Contract be terminated and closed out.

The Contractor submitted six vouchers showing costs incurred of $22,059 of which OME accepted $21,673 and reimbursed the operator $16,255 for OME participation.

The units of work authorized and approved under the Contract are summarized on the attached exhibit. In our opinion, the costs accepted by OME were properly incurred and are allowable under the terms of the Contract.

Frank V. Pasarich

EXHIBIT

Cost Review of Contract No. 2313
Docket No. OME-6885 (Silver-Gold)
Hamilton Resources Corporation
San Miguel Co., Colorado
June 17, 1974, through March 17, 1977

Allowable Cost	Amount Accepted by OME and Approved by Audit
Category:	
(1) Independent Contracts	$825
(7) Miscellaneous	306
Fixed Unit Costs:	
Drifting	14,181
Supervisor	4,500
Outside Consultant	125
Transportation for Consultant	25
Office and Accounting Expense	150
Payroll Taxes, F.I.C.A., Insurance	1,561
Total Allowable Costs	21,673
Government Participation	16,255

Government's Copy

EXPLORATION CONTRACT
CHARLES H. TURNER and ANNE Z. TURNER d/b/a
HAMILTON RESOURCES CORPORATION
OME-6885

AMENDMENT NO. 3

It is agreed this 21st day of September, 1976, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government," and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator," that Exploration Contract 2313 (OME-6885) dated June 17, 1974, is amended effective September 17, 1976, as follows:

1. The time fixed by Article 1(a) of the Contract as amended by Amendment No. 2 for completion of the work is extended from twenty-seven (27) to thirty-three (33) months from the date of the Contract, or until March 17, 1977.

2. The maximum period for payment of royalty set forth in Article 7(b) of the Contract, and for the lien to secure payment thereof set forth in Article 7(e) of the Contract is extended from ten (10) to twelve (12) years from the date of the Contract, or until June 17, 1986.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Except as herein amended, Exploration Contract 2313 (OME-6885), dated June 17, 1974, shall remain in full force and effect.

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Harold Kirkemo
Chief, Office of Minerals Exploration

Martin 10/20/76

Charles H. Turner
Anne Z. Turner d/b/a
HAMILTON RESOURCES CORPORATION

By Charles H. Turner
Title President

By Anne Z. Turner
Title Secty

Government's copy

EXPLORATION CONTRACT
CHARLES H. TURNER AND ANNE Z. TURNER d/b/a
HAMILTON RESOURCES CORPORATION
OME-6885

AMENDMENT NO. 2

It is agreed this 18th day of December, 1975, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government", and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator", that Exploration Contract 2313 (OME-6885) dated June 17, 1974, as amended effective November 1, 1975, as follows:

1. (a) Work under the Contract may be suspended during the period beginning November 1, 1975, and ending no later than June 1, 1976.

(b) The Government shall not contribute to any costs incurred during the period of suspension.

(c) The Government shall not contribute to or be liable for any costs of rehabilitation or repair or any other costs which would not have occurred if there had been no suspension of work, or which may arise out of this suspension.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

2. The date fixed by Article 1(a) of the Contract as amended by Amendment No. 1 for completion of the work is extended from eighteen (18) months to twenty-seven (27) months from the date of the Contract, or until September 17, 1976.

3. It is the essence of this amendment that the work shall be resumed on or before the termination of the period herein fixed for suspension; and if not so resumed, the following provisions shall thereupon become effective:

(a). The Contract and all obligations of the parties thereunder except as hereinafter otherwise provided, shall be and are hereby terminated effective November 1, 1975, if work on the Contract has not been recommenced on or before June 1, 1976.

(b). The Government will contribute only to allowable costs incurred prior to the date set forth in 3(a) above.

(d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty provided for in the Contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the Contract as amended herein as if a certification of possible production had been made, such certification of possible production, percentage royalty and liens to secure payment thereof, reports (including the preservation of Operator's record), accounts, audits, and the right to recover any overpayments are hereby preserved.

(e) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the Contract, except as provided for in this Amendment No. 2.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Except as herein amended, Exploration Contract 2313 (OME-6885), dated June 17, 1974, shall remain in full force and effect.

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Harold Kirkemo
Chief, Office of Minerals Exploration

Martin 12/22/75

Charles H. Turner
Anne Z. Turner d/b/a
HAMILTON RESOURCES CORPORATION
Charles H. Turner, Pres.

By Anne Z. Turner
Title Secty.

Gover[illegible]nt's Copy

EXPLORATION CONTRACT
CHARLES H. TURNER and ANNE Z. TURNER d/b/a
HAMILTON RESOURCES CORPORATION
OME-6885

AMENDMENT NO. 1

It is agreed this 21st day of May, 1975, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government", and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator", that Exploration Contract 2313 (OME-6885) dated June 17, 1974, is amended effective May 30, 1975, as follows:

1. The time fixed by Article 1(a) of the Contract for completion of the work is extended from twelve (12) to eighteen (18) months from the date of the Contract, or until December 17, 1975.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Except as herein amended, Exploration Contract 2313 (OME-6885), dated June 17, 1974, shall remain in full force and effect.

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Harold Kirkemo
Chief, Office of Minerals Exploration

5/21/75

Charles H. Turner
Anne Z. Turner d/b/a
HAMILTON RESOURCES CORPORATION

By Charles H. Turner
Title President

By Anne Z. Turner
Title Secretary

True copy of Amendment No. 1. Original copy was inadvertently revised in preparing Amendment No. 2.
H. Kirkemo 9/16/76

Government's Copy

EXPLORATION CONTRACT
CHARLES H. TURNER and ANNE Z. TURNER d/b/a
HAMILTON RESOURCES CORPORATION
OME-6885

AMENDMENT NO. 3

It is agreed this ~~[illegible]~~ day of ~~May, 1975~~ September, 1976, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government", and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator", that Exploration Contract 2313 (OME-6885) dated June 17, 1974, is amended effective ~~May 30, 1975~~ September 17, 1976, as follows:

1. The time fixed by Article 1(a) of the Contract as amended by Amendment No. 2 for completion of the work is extended from twenty-seven (27) to thirty-three (33) months from the date of the Contract, or until March 17, 1977.

2. The maximum period for payment of royalty set forth in Article 7(b) of the Contract, and for the lien to secure payment thereof set forth in Article 7(e) of the Contract is extended from ten (10) to twelve (12) years from the date of the Contract, or until June 17, 1986.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Except as herein amended, Exploration Contract 2313 (OME-6885), dated June 17, 1974, shall remain in full force and effect.

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Harold Kirkemo
Chief, Office of Minerals Exploration

Martin 5/21/75

Charles H. Turner
Anne Z. Turner d/b/a
HAMILTON RESOURCES CORPORATION

By Charles H Turner
Title President

By Anne Z. Turner
Title Secretary

Original copy
Inadvertently revised in preparing Amendment No. 3. Copy of unaltered Amendment is filed in docket
H. Kirkemo 9/15/76

Government's Copy

MME Form 50
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. GEOLOGICAL SURVEY

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME -6885	Silver-Gold	2313	San Miguel	Colorado

It is agreed JUN 17 1974 (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Charles H. Turner and Anne Z. Turner d/b/a

Hamilton Resources Corporation, a Colorado corporation

whose mailing address is P.O. Box 3224 HiMar Station, Boulder, Colorado 80303, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before Sept. 15, 1974 (Date) and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 12 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $ 32,940.00. The Government will contribute ~~50~~ 75 percent of the allowable costs as they are incurred, in a total sum not in excess of $24,705.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest at the rate of 9 - ¾ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's right in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

See Annex I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

See Annex I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.-- The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government; however, the original of the Operator's Monthly Voucher shall be supported by documentary evidence, such as certified copies or transcripts of payrolls and invoices, for all costs claimed under Article 6 (a) (1).)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as two copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of the same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article, or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--In addition to the limitations imposed by paragraph (a) of this Article 6 the Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. The provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retains his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or Producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 12. Nondiscrimination in Employment. The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961 as amended and supplemented are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

-1

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 14. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for

liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provision.--

Executed in quadruplicate the day and year first above written.

Charles H. Turner
Anne Z. Turner d/b/a
HAMILTON RESOURCES CORPORATION
(Operator)

By Charles H Turner
Title President

By Anne Z. Turner
Title Secretary

THE UNITED STATES OF AMERICA

By William A Burk
U.S. Geological Survey

Martin 6/12/74
Ferguson 6/12/74
Sterbenz 6/13/74
DWBrabst 6/14/74
Fichter 6/14/74
Dorn 6/14
Gabel 6/14
WBurk 6/17

I, Anne Z. Turner (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that Charles H. Turner (Name), who signed this contract on behalf of the Operator, was then President (Title) of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Anne Z. Turner
[CORPORATE SEAL]

PAID $2.00

Recorded at 3:00 o'clock P M., October 16, 1973

Reception No. 186534 Gay Cappis Recorder

BOOK 346 PAGE 236

THIS INDENTURE, Made this --23rd-- day of April, 1973, between

CHARLES F. TURNER and ANNE Z. TURNER, tenants in common,

of the City and County of Boulder and State of Colorado, parties of the first part, and

HAMILTON RESOURCES CORPORATION, a Colorado corporation,

of the City and County of Boulder, and State of Colorado, party of the second part;

WITNESSETH, That the said parties of the first part, for and in consideration of the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION----------~~Dollars,~~ ~~100~~

to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, sold, remised, released and forever quit-claimed, and by these presents do grant, bargain, sell, remise, release and forever quit-claim, unto the said party of the second part, its heirs and assigns, the following described property, situate, lying and being in the Trout Lake Mining District, in the County of San Miguel, and State of Colorado, to wit:

S.B.Kenrick Lode Claim, U.S.Patent Survey 2683, San Juan Lode Claim, U.S.Patent Survey 1167-A, San Juan Millsite, U.S.Patent Survey 1167-B, Sections 4 and 5, T.41 N., R. 9 W., N.M.P.M.

State Documentary Fee
Date OCT. 16, 1973
$ exmpt kr

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, its heirs and assigns forever.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hands and seals the day and year first above written.

Signed, sealed and delivered in the presence of

Charles F. Turner [SEAL]

Anne Z. Turner [SEAL]

[SEAL]

[illegible] acknowledged before me this 23rd day of April, 19[illegible]. Witness my hand and official seal.

[illegible]

No. 87 MINING DEED.—Bradford Publishing Co., 1824-44 Stout Street, Denver, Colorado —1-71

EXHIBIT B-1

CERTIFICATION OF NONSEGREGATED FACILITIES

The undersigned hereby certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location under his control, where segregated facilities are maintained. He further agrees that a breach of this certification is a violation of the Equal Opportunity clause in OME Exploration contracts. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity clause; that he will retain such certifications in his files; and that he will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

A Certification of Nonsegregated Facilities must be submitted prior to the award of a subcontract exceeding $10,000 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Charles H. Fenn
Signature

President
Title

24 June 1974
Date

EXPLORATION CONTRACT
CHARLES H. TURNER AND ANNE Z. TURNER d/b/a
HAMILTON RESOURCES CORPORATION
OME-6885

ANNEX I

The land, including all rights pertaining thereto, referred to in Article 2 of the contract consists of two (2) patented lode mining claims and a mill site in Sections 4 and 5, T. 41 N., R. 9 W., NMPM, Trout Lake Mining District, San Miguel County, Colorado. These claims are shown in figure 1, titled "S. B. Kenrick and San Juan claims" which is attached and made a part hereof.

The mining claims are identified as:

Name	U. S. Survey No.
San Juan	1167A
S. B. Kenrick	2683
San Juan Millsite	1167B

The Operator is in possession of these claims by virtue of an Indenture dated April 23, 1973, between Charles H. Turner and Anne Z. Turner, and Hamilton Resources Corporation, a Colorado corporation.

EXPLORATION CONTRACT
CHARLES H. TURNER AND ANNE Z. TURNER d/b/a
HAMILTON RESOURCES CORPORATION
OME-6885

EXHIBIT A

The purpose of the project is to explore the San Juan mine for gold, silver, copper, and lead ore bodies by drifting northeastward on the San Juan vein in the No. 2 drift, A tunnel level, in igneous rocks associated with the Ophir stock.

General Provisions

A bulldozer no smaller than the equivalent of a Caterpillar D-7 shall be used to repair and maintain an access road.

The drift to be advanced shall be not less than 6 by 8 feet in cross section and shall be timbered as necessary. Drift sets shall be not less than 8- by 8-inch timber, or equivalent round timber. Roof bolts may be used in lieu of timber. Any crosscutting necessary to recover faulted segments of the vein may be done at the expense of the allowance for equivalent drift advance. Rubber-tired, diesel-powered equipment with adequate scrubbers and anti-pollution devices shall be used for transportation in the drift.

All significantly mineralized areas traversed by the drifts shall be sampled normal to the trends of the deposits at intervals not exceeding 5 feet. In addition, a representative bulk sample may be taken of each round broken.

All samples, from whatever source, shall be split as necessary and one split assayed. The Operator shall store one split of each sample in a suitable container properly labeled. Stored samples shall be made available for Government inspection and possible use, and may be disposed of only with prior Government approval.

All splits of samples assayed shall be analyzed for gold, silver, copper and lead.

True copies of assay certificates and maps or sketches showing the work completed, the location, width, and assay value of all samples assayed, and the geological formations and structures traversed by the workings shall be furnished monthly to the Government.

The Operator shall provide such equipment, materials, supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Operator shall perform all work in such a manner as to maintain in the vicinity of the project the quality of the environment which existed prior to start of the work. Materials such as waste rock, stockpiled ore, and water resulting from the project shall be accumulated or discharged in a safe manner so as not to degrade the quality of the adjacent land, air, and streams, and in compliance with all applicable Federal and State laws.

Description of the Work

The work shall consist of repairing and maintaining an access road to the San Juan mine, and extending the No. 2 drift, A tunnel level, in a northeasterly direction along the San Juan vein. The total of drift advance may approximate 250 feet.

The approximate location of the proposed drift extension is shown on Figure 2, entitled "San Juan Mine, Matterhorn, Colorado," attached and made a part hereof.

Estimated Costs of the Project

Fixed Unit Costs

Drifting - crosscutting[1/] 251 feet at $87.00/foot	$21,837.00
Long hole drilling 800 feet at $1.50/foot	1,200.00
1 Supervisor, 3 months at $1,500.00/month	4,500.00
1 Outside Consultant 3 days at $125.00/day	375.00
Per diem, Outside Consultant 3 days at $25.00/day	75.00
Transportation for Consultant 2,042 miles at $0.12/mile	245.00
Office and accounting expense 3 months at $50.00/month	150.00
Payroll taxes, F.I.C.A., insurance at 15%	1,958.00
Total Fixed Unit Costs	$30,340.00

1/ Includes all costs whatsoever such as labor, equipment, materials and supplies. The Government retains no equity in any of the equipment or materials used.

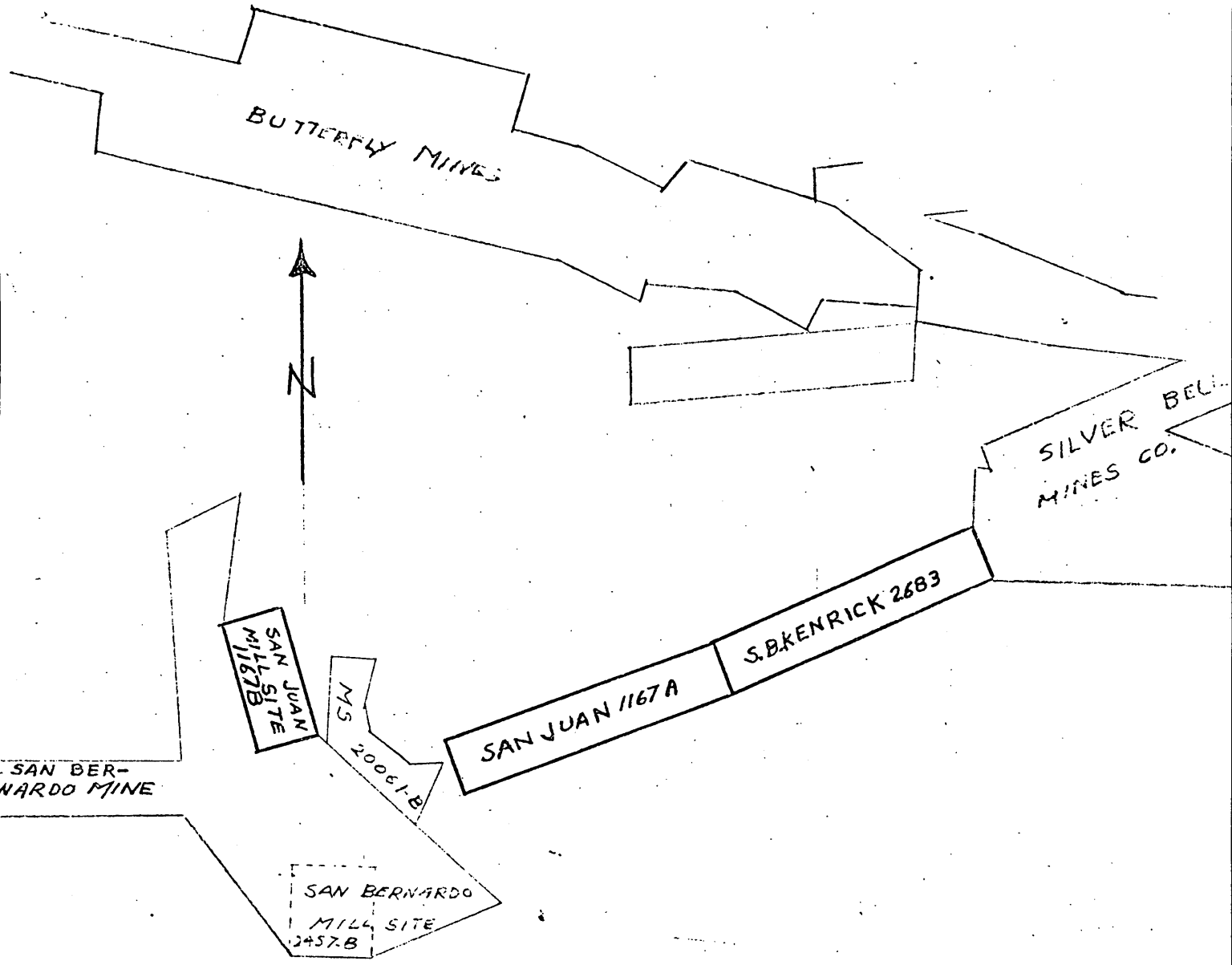
Actual Costs

Category (1) Independent Contracts		
Bulldozing[1/] 30 hours at $27.50/hour	$ 825.00	
Category (7) Miscellaneous		
Assaying, 151 samples (rounded), Gold, silver, copper at $8.50/sample Lead at $3.25/sample	1,775.00	
Total Actual Costs	$2,600.00	
Total Estimated Cost of the Project		$32,940.00
Government participation at 75 percent		$24,705.00

1/ Includes all costs whatsoever such as labor, equipment, materials and supplies. The Government retains no equity in any of the equipment or materials used.

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
DOCKET 6885



S.B. KENRICK & SAN JUAN
CLAIMS

SHOWING RELATIVE POSITIONS OF
NEIGHBOURING MINES

1" = 300' JULY 21-47

FIGURE

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration
Building 53 Room 28

March 8, 1973

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 12 1973
INITIALS | COPY

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: Application from Charles H. Turner for financial assistance in minerals exploration at the San Juan Mine, Trout Lake Mining District, San Miguel County, Colorado

Transmitted herewith is an application for financial assistance to explore from underground drill sites for new and undiscovered portions of the San Juan vein from the San Juan Mine, in the Trout Lake Mining District, San Miguel County, Colorado.

The applicant proposes costs for rehabilitation and opening the "A" tunnel level, prepare a drill site at the present face, then diamond drill five holes in an easterly direction to intersect the downward extension of San Juan vein from the "B" level. Total cost of the proposed exploration program is estimated at $10,903.00.

The applicant was advised by the Field Officer, Region III, that the reopening of the "A" tunnel and its rehabilitation would have to be done on his account in order to make the workings available for a field examination, so the property may be appraised relative to the amount and kind of exploration proposed by him. The application was reviewed by Calvin Bromfield, Geologist, U. S. Geological Survey, as he is familiar with the general area, having mapped the Mount Wilson quadrangle, and prepared USGS Bulletins 1227 and 1353-A, in which the subject property is located. Mr. Bromfield's comments are enclosed.

The San Bernardo Mine, located across the canyon to the southwest, may be an extension of the San Juan Vein system. The San Bernardo Mine has been the subject of three earlier DMA and DMEA reports of examinations: DMA docket 542, DMEA docket 2521, and DMEA docket 2723.

A review of these reports of examination on the San Bernardo indicates that there may be sufficient ore to justify a limited exploration program on the San Bernardo vein. The grade of the ore produced from the San Bernardo Mine is not unlike the grade of ore expected from the San Juan Mine as suggested by Bromfield. At current prices the ore would gross some $33.55 per ton as follows:

0.04 oz. Au @ $80.00/oz. =	$3.20
6.00 oz. Ag @ $2.45/oz. =	$14.70
1.5% Pb = 30 lbs. Pb @ 15.50¢ lb. =	$4.65
1.0% Cu = 20 lbs. Cu @ 55.00¢ lb =	$11.00
Total value per ton	$33.55

The applicant's samples, A-1 through A-7 would gross $34.00 per ton. Samples B-1 through B-15 would gross $60.43 per ton and samples C-1 through C-7 would gross $48.75 at current prices as shown above. The applicant would be hoping to mine ore ranging between $33.00 and $60.00 per ton, but in reality the ore will assay nearer $30.00 per ton, which is hardly ore-grade considering current mine costs, costs of shipping ore to distant smelters, etc. etc. Considerably higher grade silver values must be consistently mined in order for the mining to be profitable. Vein widths sampled range from 1 foot to 2.14 feet thick.

J. William Hasler

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

Enclosure

MME Form 40
(Revised Nov. 71)

Form approved
Budget Bureau No. 42-R1368

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

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

Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
P.O.Box 3224 HiMar Station
Boulder, Colorado 80303

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER

DATE RECEIVED

REGION

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED: Colorado

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Charles H. Turner	P.O.Box 3224 HiMar Sta. Boulder, Colorado 80303	President
Anne Z. Turner	P.O.Box 3224 HiMar Sta. Boulder, Colorado 80303	Secretary

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

ESTIMATED COST OF PROJECT: $35,796.20

PROPERTY NAME	LOCATION COUNTY	STATE
San Juan Mine	San Miguel	Colorado

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. II). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Department of the Interior, U.S. Geological Survey, Office of Minerals Exploration, Washington, D. C., 20242, or with the nearest OME Field Office.*

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

November 10, 1972
DATED

Charles H Turner
BY *(Signature)*

President
TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

(submit on accompanying pages)

1. Financial Eligibility:

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

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

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

2. Applicant's Rights in Land:

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

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

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements signed by owner on MME Form 52. If the agreements cannot be obtained, state reasons and whether you can furnish a performance bond.

3. Physical Description:

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

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

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

(d) Describe known ore reserves, giving quantities and grades.

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

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

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

4. Accessibility of Property:

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

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

5. Exploration Work:

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

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

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

6. Experience:

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

7. Estimate of Costs:

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

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

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

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

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

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

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

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

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

March 25, 1974

Security Bank of Boulder
825 South Broadway
Boulder, Colorado 80303

Gentlemen:

Hamilton Resources Corporation is planning a program of exploration for gold and silver, at its San Juan Mine, in San Miguel County, Colorado.

The total cost of the proposed program is estimated at $35,796.20, of which $26,847.15 must be borrowed.

Please advise as to your interest in financing this project.

Very truly yours,

HAMILTON RESOURCES CORPORATION

Charles H. Turner

Charles H. Turner
President

Security Bank of Boulder

March 25, 1974

Mr. Charles H. Turner
President
Hamilton Resources Corporation
P. O. Box 3224 HiMar Station
Boulder, Colorado 80303

Dear Mr. Turner:

I regret to say that Security Bank of Boulder would not be able at this time to lend you $26,847.15 for the purpose of exploration of gold and silver. Therefore, your loan request is denied.

Sincerely,

SECURITY BANK OF BOULDER

Karen K. Williams
Cashier

KKW/jb

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

March 25, 1974

First National Bank
Boulder
Colorado

Gentlemen:

Hamilton Resources Corporation is planning a program of exploration for Gold and Silver, at its San Juan Mine, in San Miguel County, Colorado.

The total cost of the proposed program is estimated at $35,796.20, of which $26,847.15 must be borrowed.

Please advise as to your interest in financing this project.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner
President

FIRST NATIONAL BANK
IN BOULDER

1800 BROADWAY
BOULDER, COLORADO 80302

March 25, 1974

Mr. Charles H. Turner, President
Hamilton Resources Corporation
P O Box 3224 HiMar Station
Boulder, Colorado, 80303

Dear Mr. Turner;

Thank you for your letter of even date concerning your needs for $26,847.15 to assist in your program of exploration for Gold and Silver in San Miguel County Colorado.

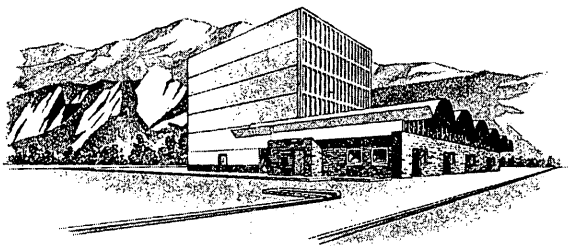
The tight money situation is still with us and we are not at this time advancing money for use out of our immediate area, and we are becoming more selective in the types of collateral we will accept.

We are sorry that we are not interested in your program at this time.

Respectfully,

Bernard R. Miles

Bernard R. Miles
Vice President



HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

March 25, 1974

Mr. J. William Hasler
Field Officer, Region III
O M E, USGS
Denver Federal Center, Bldg.53, Room 28
Denver, Colorado 80225

Re: OME-6885 (Silver-Gold)
San Juan Mine - Revised Program

Dear Mr. Hasler:

This is to confirm that I am willing and able to provide my share (25%) of the cost of the revised program, estimated at $35,796.20.

My share of this amount is $8,949.05.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner
President

FARMER'S CONSTRUCTION CO.
Box 58, Placerville, Colorado 81430

Feb.12, 1974

Hamilton Resources Corp.
Box 3224 HiMar Sta.
Boulder, Colo. 80303

Dear Sirs:

We hereby offer to perform up to thirty (30) hours of road building, using a D7 machine, at a price of $27.50 per hour, this work to be done at the San Juan mine property, at Matterhorn, San Miguel County, Colorado.

Very truly yours,

FARMER'S CONSTRUCTION CO.

R. L. Farmer

R. L. Farmer
Manager

HAMILTON RESOURCES CORPORATION
P. O. BOX 3224 HIMAR STATION
BOULDER, COLORADO 80303

7. Estimate of Costs:

(a) Independent Contracts

Access road work- D7 bulldozer, 30 hrs. @ 27.50		825.00

(b) Personal Services

Supervision & engineering- 3 months @ 1,500.00/month	4,500.00	
2 miners- 3 months @ 1,000.00/mo.	6,000.00	
1 helper- 3 months @ 850.00/month	2,550.00	
1 outside Consultant- 3 days @ 125.00	375.00	
Per diem/consultant- 3 days @ 25.00	75.00	
Transportation/consultant- 2160 miles @ 12¢/mile	259.20	
		13,759.20

(c) Operating Materials & Supplies

Explosives, per foot- 7.00 (x 300')	2,100.00	
Pipe- 700' 3" airline @ 1.25/foot	875.00	
700' 1" water line @ .46/foot	322.00	
Ventube- 100'x18" (flex.) @ 7.90/foot	790.00	
Galvanized vent pipe- 650'x18", @ 2.75	1,787.50	
Steel & bits, per foot- 3.30 (x 300')	990.00	
Small tools (est.)	300.00	
		7,164.50

(d) Operating Equipment

Compressor- 600 cfm electric, 3 months rental @ 850.00/month	2,550.00	
Loader- diesel powered with scrubber, 3 months rental @ 1,000.00	3,000.00	
Gardner-Denver jackleg drill- 3 months rental @ 300.00/month	900.00	
Electric pump- 3 months rental @ 100.00	300.00	
FWD pick-up- 3 months rental @ 110.00	330.00	
Mobilization & Demobilization	300.00	
		7,380.00

(e) Initial Rehabilitation & Repairs

250' of road (see (a) above)

(f) New Buildings, Fixtures, Installations

None

(g) Miscellaneous

(i) Pick-up truck		
Gasoline- 300 gals. @ .50/gal.	150.00	
Oil- 15 gals. @ 3.00/gal.	45.00	
Maintenance & service- 3 months	90.00	
Diesel loader		
Diesel fuel- 600 gals. @ .45/gal.	270.00	
Oil- 25 gals. @ 3.00/gal.	75.00	
Maintenance & service- 3 months	150.00	
		780.00
(ii) Assaying- 180 samples @ 8.50 (Au, Ag, Cu)	1,530.00	
Office- Reporting & Accounting, 3 months @ 50.00/month	150.00	
Payroll taxes, insurance, etc. $13,050.00 x 15%	1,957.50	
		3,637.50
(iii) Services		
Electric power for compressor, blower, pump, 3 months @ 750.00 (est.)		2,250.00
TOTAL		$ 35,796.20

PAID $8.00

Recorded at [illegible] o'clock P. M. [illegible]

Reception No. [illegible] Gay Gaspie [illegible]

BOOK 346 PAGE 236

THIS INDENTURE, Made this --23rd-- day of April 1973

CHARLES H. TURNER and ANNE Z. TURNER, tenants in common

of the City and County of Boulder and State of Colorado, parties of the first part, and

HAMILTON RESOURCES CORPORATION, a Colorado corporation,

of the City and County of Boulder, and State of Colorado, party of the second part;

WITNESSETH, That the said parties of the first part, for and in consideration of the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION----------~~Dollars,~~ ~~100~~

to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, sold, remised, released and forever quit-claimed, and by these presents do grant, bargain, sell, remise, release and forever quit-claim, unto the said party of the second part, its heirs and assigns, the following described property, situate, lying and being in the Trout Lake Mining District, in the County of San Miguel, and State of Colorado, to wit:

S.B.Kenrick Lode Claim, U.S.Patent Survey 2683, San Juan Lode Claim, U.S.Patent Survey 1167-A, San Juan Millsite, U.S.Patent Survey 1167-B, Sections 4 and 5, T.41 N., R. 9 W., N.M.P.M.

State Documentary Fee
Date OCT. 16, 1973
$ exmpt kr

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, its heirs and assigns forever.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hands and seals the day and year first above written.

Signed, sealed and delivered in the presence of

Charles H. Turner [SEAL]

Anne Z. Turner [SEAL]

[SEAL]

STATE OF COLORADO,
City and County of Boulder } ss.

The foregoing instrument was acknowledged before me this 23rd day of April 1973, by Charles H. Turner and Anne Z. Turner

My commission expires September 18, 1973. Witness my hand and official seal.

Sarah B. [illegible]

Recorded at 3:00 P.M.
Reception No. [illegible] Gay Caplis

BOOK 346 PAGE 236

THIS INDENTURE, Made this --23rd-- day of April

CHARLES H. TURNER and ANNE Z. TURNER, tenants in common,

of the City and County of Boulder and State of Colorado, parties of the first part, and

HAMILTON RESOURCES CORPORATION, a Colorado corporation,

of the City and County of Boulder, and State of Colorado, party of the second part;

WITNESSETH, That the said parties of the first part, for and in consideration of the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION----------~~Dollars~~ ~~100~~

to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, sold, remised, released and forever quit-claimed, and by these presents do grant, bargain, sell, remise, release and forever quit-claim, unto the said party of the second part, its heirs and assigns, the following described property, situate, lying and being in the Trout Lake Mining District, in the County of San Miguel, and State of Colorado, to wit:

S.B.Kenrick Lode Claim, U.S.Patent Survey 2683, San Juan Lode Claim, U.S.Patent Survey 1167-A, San Juan Millsite, U.S.Patent Survey 1167-B, Sections 4 and 5, T.41 N., R. 9 W., N.M.P.M.

State Documentary Fee
Date OCT.16, 1973
$ exmpt kr

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, its heirs and assigns forever.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hands and seals the day and year first above written.

Signed, sealed and delivered in the presence of

Charles H. Turner [SEAL]
Anne Z. Turner [SEAL]
[SEAL]

STATE OF COLORADO,
City and County of Boulder } ss.

The foregoing instrument was acknowledged before me this 23rd day of April 1973, by Charles H. Turner and Anne Z. Turner

My commission expires September 18, 1973. Witness my hand and official seal.

Sarah B. [illegible]

No. 37 MINING DEED.—Bradford Publishing Co., 1554-66 Stout Street, Denver, Colorado.—1-72

$6.00

EFFECTIVE SEPT. 1, 1967

ASSAY CHARGES

GOLD & SILVER $3.50 **Gold $2.50** **Silver $2.50**
Copper ~~$1.50~~ 2. **Lead (Wet) $2.50** **Zinc $2.50**

Aluminum	$ 4.00	Nickel	$ 5.00
Antimony	4.00	Phosphorus	4.00
Arsenic	4.00	Platinum (fire)	3.50
Barium	3.00	Platinum (chemical)	10.00
Beryllium	15.00	Potassium	7.50
Bismuth	5.00	Silica (insoluble)	2.00
Cadmium	10.00	Silica (true)	3.00
Calcium, (Acid)	2.50	Silver (chemical)	5.00
Calcium (Fusion)	3.00	Sodium	7.50
Chromium	3.00	Strontium	10.00
Cobalt	6.00	Sulphur	3.00
Columbium	25.00	Tantalum	25.00
Fluorspar	4.00	Tellurium or Selenium	10.00
Graphite	3.00	Thorium	15.00
Iron (Acid)	2.00	Tin (chemical)	4.00
Iron (Fusion)	2.50	Titanium	5.00
Lithium	10.00	Tungsten	6.00
Magnesium	5.00	Uranium	7.50
Manganese	2.50	Vanadium	3.00
Mercury	3.00	Rare Earths & Thorium	5.00
Molybdenum	5.00	Total Rare Earths	15.00

Other Metals not mentioned $5.00 and up
Qualitative Analysis, for any one metal (rare or common), reporting the presence or absence of that metal Common $1.50 Rare $3.00
Buillion assays, Gold and Silver Double Minimum Rate

ENGINEER OR DUPLICATE ASSAYS

Gold or Silver $4.00
Gold and Silver 5.00

CONTROL ASSAY RATES

Gold, Silver, Copper, Lead, Zinc each $5.00
Gold and Silver 6.00

UMPIRE ASSAY RATES

Gold, Silver, Copper, Lead or Zinc each $7.00
Gold and Silver or Zinc 10.00

IDENTIFICATION REPORTS

This report will identify and name the minerals present in a specimen and list the principal elements composing same $2.50

Charges for work not listed furnished on request.

Free Mailing envelopes or shipping tags.

Write for free copy of our MINERALOGIST'S POCKET REFERENCE, a book giving detailed information on all the principal minerals.

SPECIAL — GOLD AND PLATINUM ASSAYS ON SAME SAMPLE, $5.00

A 50c SAMPLE PREPARATION CHARGE IS TO BE ADDED FOR EACH SAMPLE ~~WITH ASSAYS TOTALING UNDER $5.00~~

THE COLORADO ASSAYING CO.

Assayers and Chemists
P. O. Box 298 2244 Broadway Denver, Colo. 80201
(OVER)

CHARLES O. PARKER & CO.

CHEMISTS ASSAYERS ENGINEERS
2114 CURTIS ST., DENVER, COLORADO 80205
Phone 623-1852

ASSAY PRICE LIST APRIL, 1972

HAND SAMPLES

GOLD	$ 2.00
SILVER	2.00
GOLD & SILVER (SAME SAMPLE)	3.50
GOLD PLACER	3.50
COPPER, LEAD, ZINC, (EACH)	2.00
ALUMINUM	5.00
ANTIMONY	5.00
ARSENIC	5.00
BARIUM	5.00
BERYLLIUM	7.50
BISMUTH	7.50
CADMIUM	7.50
CHROMIUM	7.50
COBALT	7.50
FLUORSPAR (CaF_2)	5.00
IRON	2.50
INSOLUBLE	2.50
LIME	2.50
LOSS ON IGNITION	2.00
MAGNESIUM	5.00
MANGANESE	5.00
MERCURY	5.00
MOLYBDENUM	7.50
NICKEL	5.00
PHOSPHORUS	5.00
PLATINUM	7.50
SILICA	5.00
STRONTIUM	7.50
SULFUR (COMBINED)	2.50
SULFUR (ELEMENTAL)	5.00
TIN	7.50
TITANIUM	7.50
TUNGSTEN	7.50
URANIUM	7.50
VANADIUM	5.00
COMPLETE QUALITATIVE ANALYSIS	15.00
COMPLETE WATER ANALYSIS	PRICE LIST ON REQUEST

Au, Ag, Cu $5.50

DUPLICATE ASSAYS- 1½ TIMES QUOTED CHARGE
CONTROL ASSAYS--- 2 TIMES QUOTED CHARGE
UMPIRE ASSAYS---- 4 TIMES QUOTED CHARGE ON GOLD, SILVER, COPPER, LEAD & ZINC. ALL OTHER ELEMENTS- 3 TIMES QUOTED CHARGE.

WET SAMPLES & SAMPLES OVER 10LBS. ARE SUBJECT TO SMALL PREPARATION CHARGE.

MME Form 40
(Revised Nov. 71)

Form approved
Budget Bureau No. 42-R1368

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

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

Charles H. Turner and Anne Z. Turner
P.O.Box 3224 HiMar Station
Boulder, Colorado 80303

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6885

DATE RECEIVED: 3-12-73

REGION: III

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED:

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE

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

ESTIMATED COST OF PROJECT: $10,903.00

PROPERTY NAME	LOCATION COUNTY	STATE
San Juan Mine	San Miguel	Colorado

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. II). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Department of the Interior, U.S. Geological Survey, Office of Minerals Exploration, Washington, D. C., 20242, or with the nearest OME Field Office.*

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

November 10, 1972
DATED

Charles H. Turner
Anne Z. Turner
BY *(Signature)*

Owners
TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

(submit on accompanying pages)

1. Financial Eligibility:

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

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

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

2. Applicant's Rights in Land:

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

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

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements signed by owner on MME Form 52. If the agreements cannot be obtained, state reasons and whether you can furnish a performance bond.

3. Physical Description:

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

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

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

(d) Describe known ore reserves, giving quantities and grades.

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

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

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

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

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

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

6. Experience:

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

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

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

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

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

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

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

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

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

Charles H. Turner
Box 3224 HiMar Sta.
Boulder, Colo. 80303

1. Financial Eligibility:

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

   (b) Not applicable.

   (c) Applicant's share of cost of the exploration work will be advanced by Charles H. Turner, co-owner of the property.

2. Applicant's Rights in Land:

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

   (b) San Juan lode, Survey 1167A and S.B.Kenrick lode, Survey 2683, Sections 4 and 5, Township 41 North, Range 9 West, Trout Lake Mining District, San Miguel County, Colorado. Also owned - San Juan millsite, Survey 1167B. This should be exempt from Government royalty and liens. The property is known as the San Juan Mine, or the Matterhorn Drifts, or the Turner Mine.

   (c) Not applicable.

3. Physical Description:

   (a) See Map A, Underground Workings.
   Six adits have been driven on what appears to be the same vein, for a total of approximately 1600 feet advance. Caving has occurred in most of the levels, and they are inaccessible. "F" Level has been stoped for a length of 125 feet and a height of 50 feet. "B" Level has been stoped for a length of 200 feet and a height of about 50 feet. The vein is exposed at the east breast of "B" Stope, and in the drift back to the east of the stope. This was channel sampled, and the results are shown on Map A. "A" Level No.2 Drift was channel sampled, and returned assays as shown on Map A. Due to the change from massive pyritic mineralization in "B" Level, to lead-silver in "A" Level, it is believed that an intersection with a second vein may occur to the east of the present breast of "A" Level.

   "A" Level is equipped with track to the breast of No.2 Drift (in red). This level is serviced by a good access road from State Highway 145, which runs across the property a few hundred feet from the portal. There is also an electric power line to this portal.

Charles H. Turner
Box 3224 HiMar Sta.
Boulder, Colo. 80303

3. Physical Description (continued):

(b) Original development and production was done by the previous owners prior to 1912. "A" Level No.2 Drift was driven by a lessee, under direction of the applicant, and present owner.

(c) Accurate production data is not available. However, short accounts of the work being done in the San Juan claim, and the S.B.Kenrick claim were published in the Colorado Directory of Mines for the year 1879. In addition, similar synopses were published in the Colorado Mining Directory for the year 1883. It is probable that similar reports were included in the Directories for intervening and later years. These were not available to the applicant.

Copies of these brief reports are attached hereto, and the pertinent details are affixed to Map A, in their appropriate positions.

These reports would appear to provide a description of the ore stoped above "F" Level (S.B.Kenrick), and above "B" Level (San Juan).

There has been no production by the applicant.

(d) No known ore reserves.

(e) The following has been taken from Geological Survey Bulletin 1227, GEOLOGY OF THE MOUNT WILSON QUADRANGLE, WESTERN SAN JUAN MOUNTAINS, COLORADO, Pages 87-88:

"The San Juan claims, sometimes referred to as the Matterhorn drifts (pl.1), are on the east side of the Lake Fork of the San Miguel River, about 1½ miles south of Ames and opposite the San Bernardo mine. Claims were first staked at this site in 1877, and by 1883 the workings consisted of four adits, 280, 290, 120, and 30 feet long, and one 60-foot shaft or winze (Corregan and Lingane, 1883). Probably some additional workings have been driven since then. The lower adit is at an elevation of about 9,675 feet, the upper at 10,040 feet. Only the lower two levels were accessible in 1962. The value of the output is not known but apparently it was small. There had been no systematic stoping, only "gophering" on the lower two levels.

The San Juan vein, in the Ophir stock, follows a westward-trending fissure which may be the eastward continuation of the San Bernardo fissure. The fissure is near the contact with the Mancos Shale, which lies only a few tens of feet south of the lowermost adit, but all the workings were apparently in the stock. As observed at the surface and on the

Charles H. Turner
Box 3224 HiMar Sta.
Boulder, Colo. 80303

3. Physical Description (continued):

two lower levels, the vein is typically 3-8 inches wide, but locally stringers in the walls increase the pay streak width to 2-3 feet. The gangue is of quartz, some of which is vuggy, a considerable amount of brown carbonate minerals, and some barite. In this gangue are bunches or streaks of pyrite, galena, sphalerite, and lesser chalcopyrite and gray copper. No data on the tenor of the ore are available."

The examination which resulted in the above report was made under adverse conditions, in 1962, since the two production levels, "B" and "F", were caved, and the two stopes were not open for inspection. However, the report provides an accurate description of the mineralization.

As indicated in the report, the known vein is a fissure, which is believed to be the eastward extension of the San Bernardo vein. This vein also appears to extend eastward into the Silver Bell Mines Co. property, within their Lookout Claim, Survey 13555.

Although an intersecting vein is indicated, no information is available on this. The purpose of this proposed exploration program is to confirm the downward extension of the ore mined in "B" stope, and possibly, the existence of a second intersecting vein.

(f) The exploration target zone has not been sampled, since it is virgin ground, with no openings. However, the fringe areas of the stopes have been channel sampled. The results are shown on Map A. The assay certificates are not available, since the sampling was carried out be a lessee.

The proposed exploration program is expected to indicate an ore body, since it is reasonable to assume that the ore, which was stoped above "B" Level, will extend downwards thru "A" Level. In the event an intersecting vein is intersected, the possible ounces of gold and silver will be considerably increased.

(g) Reports enclosed -

(i) Short reconnaissance by Clifford R. Wilfley. June 10, 1947.
(ii) Short report by G.C.Ridland, Geol. Engineer. Sept.28, 1955.
(iii) Excerpts from Mining Directories published in 1879 and 1883.

Charles H. Turner
Box 3224 HiMar Sta.
Boulder, Colo. 80303

Physical Description (continued):

Maps enclosed -

(i) Map A - underground workings; samples and assays of fringe areas; proposed core drilling program.
(ii) Map B - property map; shows relative positions of former producing mines, access to property, etc.
(iii) Map C - shows geology and location of property. (Adapted from Plate 1, Geol. Survey Bulletin 1227)
(iv) Map D - sections of proposed core drill holes.

4. Accessibility of Property:

(a) The OME representative will be met at the property by Charles H. Turner, mail address - Box 3224 HiMar Sta., Boulder, Colorado 80303; business phone - 303-499-3330.

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

(b) Shipping and supply points are Telluride, Colo., a distance of 14 miles, and Montrose, Colorado, a distance of approximately 55 miles.

5. Exploration Work:

(a) Proposed work will include the following projects, which will be done by the applicant -

(i) Open portal of "A" Level, and install 3 portal square sets; clean up south branch of "A" Level and prepare drill station.
(ii) Drill 550 feet of core drill holes. (See Maps A and D for details).

(b) Not applicable.

(c) The work will be started by May 15, 1973, unless prevented by weather conditions. Estimated time to complete the work is six weeks.

Charles H. Turner
Box 3224 HiMar Sta.
Boulder, Colo. 80303

6. Experience:

Charles H. Turner, who will direct and supervise the proposed work, has been engaged in mining as a miner, mining engineer, and operator since 1934. Experience includes 3 years as a practical miner, and 4 years as engineer in the Porcupine Camp, Northern Ontario; 4 years as chief mine engineer at La Luz Mines Ltd., in Nicaragua; 6 years consulting practice in Northwest Quebec; 21 years consulting and management in Central America and the Western States. The latter included management of the Cold Spring Tungsten operation at Nederland, Colo., and Superintendent of the Mountain Springs mine of Rico Argentine, at Rico, Colo.

7. Estimate of Costs:

(a) None.

(b) Personal Services

Supervision and engineering - 6 weeks @ 1,000.00 per month (available)		1,500.00
2 men- 30 shifts ea. @ 36.00 (4.50/hr.)		2,160.00
1 man- 30 shifts @ 28.00 (3.50/hr.)		840.00
		4,500.00

(c) Operating Materials and Supplies

1" black pipe - 500' @ .38	190.00	
2" black pipe - 500' @ .82	410.00	
AX drill rod - 180' @ 4.00	720.00	
5' AX core barrel - 1 @	190.00	
AX reaming shell - 2 @ 90.00	180.00	
AX core bits - 5 @ 150.00	750.00	
Water swivel - 1 @	63.00	
Diesel fuel - 400 gal. @ .27	108.00	
Small tools - est.	100.00	
Core splitter (Joy) - 1 @	340.00	?
		3,051.00

(d) Operating Equipment

325 cfm diesel compressor - 2 mo. rental @ 300.00	600.00	
Est. mobilization	50.00	
Air pump, used - purchase	300.00	
FWD pick-up - 2 mo. rental @ 95.00	190.00	
Core drill (by applicant)		
		1,140.00
Sub total		8,691.00

Charles H. Turner
Box 3224 HiMar Sta.
Boulder, Colo. 80303

Estimate of Costs (continued)

Carried forward		8,691.00
(e) Initial Rehabilitation and Repairs		
Clean out portal "A" Level - est. 18 hrs. front-end loader @20.00	360.00	
Clean up No. 1 heading in "A" Lev. - portal to drill station - est.	150.00	
		510.00
(f) New buildings, Fixtures, Installations		
Install 3 standard Square Sets in portal of "A" Level @ 95.00		285.00
(g) Miscellaneous		
(i) Pick-up - 6 weeks		
150 gal. gas @ .40	60.00	
5 gal. oil @ 2.60	13.00	
Maint. & serv. (est.)	45.00	
		118.00
(ii) Assaying - 110 smps. @ 5.50 (C.O.Parker)	605.00	
Accounting & reporting (office)	150.00	
Employee liab.Ins.	20.00	
Payroll tax - 5.85%	264.00	
Workmen's Comp. ($5.76/100.00)	260.00	
		1,299.00
TOTAL		$ 10,903.00

Charles H. Turner
Mining Engineer

Box 3224 HiMar Sta.
Boulder, Colorado 80303

February 10, 1973

U. S. Department of the Interior
Geological Survey
Office of Minerals Exploration
Federal Center
Denver, Colorado

Gentlemen:

I enclose herewith two sets each of an Application for Financial Assistance in Mineral Exploration, and other items pertaining thereto, as follows:

1. Application (6 pages).
2. Copies of correspondence with First National Bank and National State Bank, both Boulder, Colorado.
3. Reports by Clifford R. Wilfley, Mining Engineer, and G. Carman Ridland, Geol. Engineer.
4. Excerpts from Colorado Mining Directories for years 1879 and 1883, describing the property, ore, and work carried on.
5. Maps as follows- Map A - workings and assays on fringes of old stopes.
   Map B - shows property, access, relative position of former producing mines.
   Map C - regional geology.
   Map D - sections thru proposed drill holes.
6. Assay price schedules from two assay offices.

Very truly yours,

Charles H. Turner

encls.

United States Department of the Interior
GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225
Central Mineral Resources

IN REPLY REFER TO:

RECEIVED
MAR 5 - 1973
Region III
Denver, Colorado

March 1, 1973

MEMORANDUM

TO : Bill Hasler

FROM : Cal Bromfield

SUBJECT : Informal comments on the San Juan claims, San Miguel Co., Colo.

The San Juan claims are located on a vein that is but one of several westerly trending veins that cut the intrusive and adjacent country rocks in the Trout Lake and adjoining Iron Springs mining districts. The veins are all relatively narrow fissure veins of steep dip. Production from individual veins has ranged from a few hundred or thousand tons to 100,000 tons or more. Production has ranged in value from a few thousand to over a million dollars. The chief product has been silver together with lead, copper, and gold. The mines have had a history of intermittent activity during times of favorable economic conditions, none has been a continuous producer. The largest mines were the Butterfly-Terrible (about a half mile north of the San Juan claims) with a production of $1.42 million; the Silver Bell, east of the Butterfly, with a production of $1.65 million, and the San Bernardo, west of the San Juan claims, with a production of about $1 million.

I visited the San Juan claims about ten years ago while mapping the Mt. Wilson quadrangle. Most of the levels were inaccessible at that time; the vein itself is concealed under a cover of colluvium on the steep wooded slopes. My observations, which were restricted to the lower level and outcrops at several portals, are reported in Bulletin 1227, p. 87. As noted there, the vein is typically quite narrow--3 to 8 inches in width--though anastomosing stringers may locally increase the width to 2-3 feet. The assay widths submitted by Turner no doubt give a reasonable picture of the vein widths. Stoped areas were probably somewhat wider.

The San Juan vein is approximately on strike with the San Bernardo vein system on the west side of the valley and it is probable that both are along the same fracture system. Between 1902-1928 the San Bernardo had a modest production of 1520 oz. Au, 607,000 oz. Ag, 2,830,000 lbs. of lead and 240,000 lbs. of Cu. In addition between its discovery in 1877 and 1902 there was certainly a considerable production. Purington who visited the property in 1896 comments in unpublished Survey field notes that during 1891-95 the mine produced ore valued at $130,000, chiefly in silver. No production of record is known for the San Juan claims, but a very meager production is indicated by a small amount of stoping.

My general impression at this distance in time is that the San Juan vein was similar in its strength and general characteristics to the San Bernardo,

but obviously no strong ore shoot has yet been developed. The optinum target that might be hoped for is an ore body similar to the San Bernardo or the Butterfly-Terrible. Records of production from these mines suggest that the tenor of a newly discovered ore body would most likely be in the range of .02-.06 ounces of gold, 6-7 ounces of silver, 1-2 percent lead, and about .2-1.5 percent copper.

Box 3224 HiMar Sta.
Boulder, Colorado 80303

February 3, 1973

First National Bank
Boulder
Colorado

Gentlemen:

I am planning a limited program of mineral exploration on my mining property, the San Juan Mine, at Matterhorn, in the Telluride district, of Colorado.

The program will include an estimated 550 feet of diamond core drilling, designed to intersect the downward extension of an orebody which was mined by previous operators.

The estimated cost of this work, together with related preparatory rehabilitation, is approximately $11,000.

I would appreciate your advising me as to your interest in financing this project, together with your terms.

Thank you for an early reply.

Very truly yours,

Charles H. Turner

Charles H. Turner

FIRST NATIONAL BANK
IN BOULDER

1800 BROADWAY
BOULDER, COLORADO 80302

February 8, 1973

Mr. Charles H. Turner
Box 3224, HiMar Station
Boulder, Colorado 80303

Dear Mr. Turner:

Thank you for your letter of the 3rd concerning your needs for $11,000 for mineral exploration in the Telluride district, but unfortunately with the money situation getting tighter all the time we are cutting back on our lending policies, restricting the use of funds to our local area, and being more selective in types of collateral we are accepting.

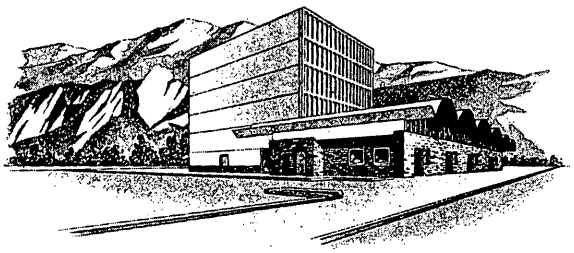
You might wish to contact a bank in the area where you intend to do your exploration.

Sorry that we are not interested in your program at this time.

Respectfully,

Bernard R. Miles

Bernard R. Miles
Vice President



Box 3224 HiMar Sta.
Boulder, Colorado 80303

February 3, 1973

National State Bank
1242 Pearl
Boulder, Colorado

Gentlemen:

I am planning a limited program of mineral exploration on my mining property, the San Juan Mine, at Matterhorn, in the Telluride district, of Colorado.

The program will include an estimated 550 feet of diamond core drilling, designed to intersect the downward extension of an orebody which was mined by previous operators.

The estimated cost of this work, together with related preparatory rehabilitation, is approximately $11,000.

I would appreciate your advising me as to your interest in financing this project, together with your terms.

Thank you for an early reply.

Very truly yours,

Charles H. Turner

Charles H. Turner

The National State Bank of Boulder
Post Office Box 227
Boulder, Colorado 80302
Telephone 303 442-0351

National State of Boulder

February 7, 1973

Mr. Charles H. Turner
Box 3224 HiMar Sta.
Boulder, Colorado 80303

Dear Mr. Turner:

Thank you for your letter of February 3rd. First, let me say that it is not the policy of our bank to become involved with the ventures outside of our trade area. For this reason alone, it is doubtful that we can be of any help.

Alternatively, I would recommend contacting some "venture capital" sources or approaching the financial institution with whom you do business for guidance.

If there are some aspects to your proposal that were not outlined in your letter which you feel we still may be interested in, please call for an appointment with one of our Commercial Loan officers.

Sincerely,

Max R. Wiley
Commercial Loan Officer

MRW/lr

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

Ophir, Colorado
June 10, 1947

Dear Mr. Turner:

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

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

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

Yours very truly,

C R Wilfley

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

Ophir, Colorado
June 10, 1947

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

Dear Sir:

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

Replying categorically to the instructions:

(a) Adits (See topographic map enclosed)

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

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

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

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

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

(b) Stoping

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

(c) Internal sinking

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

(d) Veins

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

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

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

(e) Dumps

No ore dumps.

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

(f) Buildings

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

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

(g) Accessibility

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

(h) Timber

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

(j) Water and power

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

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

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

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

(k) Topography

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

Remarks

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

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

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

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

Yours very truly,

C. R. Wilfley

C. R. Wilfley
Mining Engineer

September 28, 1955

Jayson Associates
414 East 52nd Street
New York 22, New York

Gentlemen:

San Juan Mine, Matterhorn, Colorado

I made a very brief visit to the San Juan mining property near Matterhorn, Colorado, and I have received a report on the property by Charles H. Turner dated October 7, 1950.

In view of the current price of 43¢ per pound for copper, and the possibility that the price of copper may even go higher in the future, I believe the San Juan is an unusually attractive mining property.

Property - The property consists of two patented lode mining claims, each 300 feet wide by 1500 feet long, lying end to end, thus covering a prominent fissure for a distance of 3000 feet. As the claims possess apex rights, the veins are held and may be mined to unlimited depth even if they dip beyond the side lines of the two claims. A patented mill site claim is also part of the property.

Location - The property is located at Matterhorn on State Highway 134, a gravel road running between Telluride, 13 miles to the north, and Rico, 16 miles to the southwest. Denver is 333 miles by highway northeast of the property.

Large scale mining and milling operations are in progress at both Telluride and Rico. At the former, Idarado Mining Company, a Newmont Mining Corporation subsidiary, is reopening the Smuggler Mine with a 1,200-ton per day flotation and cyanide mill, and at the latter, the Rico Argentine Mining Company is operating a 250-ton per day flotation mill.

Just east of and adjoining the San Juan property, the Silver Bell Mining Company has temporarily suspended a 150-ton per day mill and mining operation at Ophir, and plan to start up again when they get their uranium properties going. It seems apparent that the Silver Bell is mining the easterly extension of the main vein of the San Juan property.

Only 6 miles east of the Smuggler Mine the Idarado Mining Company is operating a 350-ton per day mine and mill. Hence, the San Juan property is almost surrounded by some of the largest and most successful mining enterprises in Colorado.

Geology - The major, and a secondary, mineralized vein and related geology are described by Turner's report, a copy of which is attached. The writer observed only the area in the vicinity of the portals of three of the most westerly tunnels. Here the country rock is well covered by soil and grass, underbrush and evergreen trees. The dumps and outcrops expose a gray, fine-grained homogeneous sandstone.

Greater portions of the dumps examined contain mineralized material consisting mainly of vuggy and coarsely crystalline quartz and lesser amounts of pyrite, chalcopyrite, bornite, galena, sphalerite and other gray sulphide minerals. A grab sample taken by the writer of average mineralized vein material assayed the following:

	Assay	Value/ton
Gold	0.09 oz./t.	$3.15
Silver	4.11 oz./t.	3.70
Copper	2.32 %	19.95
	Value per ton	$26.80

(Gold @ $35 per oz., silver @ 90¢ per oz., copper @ 43¢ per lb.)

Turner quotes values of samples taken from the dump at "B" based on December, 1948 prices. Copper was 17¢ per pound. At today's price of 43¢ per pound for copper, the following approximate revision should be made to his sample values:

Sample	1948 Value	1955 Value
1	$10.35/ton	$17.50/ton
2	25.16	43.00
3	23.63	40.31
4	24.10	41.95

According to Turner, approximately 50% of the value in 1948 was due to the presence of gold and silver, the balance was mostly copper. Today copper should constitute more than two-thirds the value of the ore.

Recommendations - I recommend the following program:

1. A limited amount of surface stripping by bulldozer or open-pit trenching of the lead-silver vein described by Turner.

2. A plane-table geological map of the surface.

3. Rehabilitate the portal of the lowest adit and advance the heading on the vein a distance of at least 400 feet.

Item 3, above, should be done by contract at a price of approximately

$30 per foot. Hence, the operator will not be investing in mining equipment.

Conclusions - From my examination, it appears this tunnel should encounter mineralization of commercial grade in approximately 150 feet or sooner, and it should continue for an additional 600 feet if the ore shoot mined in the levels above is found to extend downward. If ore is not encountered in 400 feet, a second look should be taken before further work is considered. The risk involved, therefore, is approximately $15,000.00, and the expectation, if the ore continues downward to the adit with the same length and width as it occurs in the upper levels, is the development of approximately 30,000 tons of ore grading $25 to $50 per ton.

Several mills, some in operation and some idle but available on a lease basis, are in the vicinity. Immediate concentration of the ore and sale of the concentrates, therefore, can be attained.

It is more than likely that ore of commercial grade will be encountered in 150 feet of tunneling so that further tunneling will produce ore which can be sold, thus reducing the above $15,000 risk. In fact, little more than $5,000 may be required to be spent before the operation is receiving a return from development ore.

The property, of course, holds promise of becoming just as big and as profitable as its neighbors, the Rico, Smuggler, Idarado, and Silver Bell mines.

Yours respectfully,

G. C. Ridland

GCR:bh

1879

located 1878; situated on Ruby mountain, Mount Sneffels mining district, seven miles from Ouray; vertical vein, trending northeast and southwest, width, 3 feet, pay vein, 8 inches; nature of ore, gray copper and galena; two adits, 10 and 15 feet in length respectively.

Roanoke. Owned by H. Le Clair and W. S. Stinson; office, Ouray; claim, 300 by 1500 feet; located 1875; situated on Engineer mountain, Uncompahgre mining district, six miles from Ouray; course of vein, east and west, width, 15 feet, pay vein, 3 feet, pitch, 25°; nature of ore, gray copper and galena, assay value, 125 ounces silver per ton; one tunnel, 25 feet and one level 10 feet in length.

Rob Roy. Owned by John C. Munn and W. B. Fonda; office, Ophir; claim, 300 by 1500 feet; located 1878; situated on Silver mountain, Upper San Miguel mining district, three miles from Miguel City and twelve miles from Ouray; vertical vein, trending northeast and southwest, width, 4 feet, pay vein, 18 inches, nature of ore, galena and sulphurets, average value, 150 ounces silver per ton; one shaft 15 feet deep.

Rocky Mountain Lion. Charles Josephs & Co., proprietors; office, Ouray; claim, 300 by 1500 feet; located 1878; situated on Uncompahgre creek, Uncompahgre mining district, five miles from Ouray; vertical vein, trending north and south, width, 30 feet; nature of ore, galena and gray copper, assay value, 250 ounces silver per ton; one shaft, 15 feet deep.

Safe Deposit. T. Resor & Co., proprietors; office, Ouray; claim, 300 by 1500 feet; located 1878; situated on Gold run, Upper San Miguel mining district, nine miles from Ouray; vertical vein, trending northwest and southeast, width, 9 feet, pay vein, 30 inches; nature of ore, galena and gray copper, assay value, 90 ounces silver per ton; one adit, 15 feet in length.

San Juan. Owned by Joseph Cuenin and C. J. Rouech and Howard Home; office, Del Norte; claim, 300 by 1500 feet; located, 1877; situated on Yellow Mountain, Iron Springs mining district, four miles from Miguel City and twelve miles from Ouray; vertical vein, trending northeast and southwest, width, 4 feet, pay vein, 18 inches; nature of ore, gray copper, average value, $245 per ton; one drift, 160 feet in length.

San Juan Hydraulic Mining Co., incorporated June 5, 1877; capital stock, $1,000,000 in 100,000 shares, $10 each; office, Denver; trustees, John A. Luce, Dennis B. Harris, Nicholas S. Snyder, William F. Shanks, Robert Connely, John M. Lord, Edward Ohio, R. T. Brown and Becker Folsom.

San Juan and St. Louis Mining and Smelting Co. Incorporated October 23, 1877; capital stock, $500,000, in 5,000 shares, $100 each; office, Ouray; Robert T. Long, pres., Claude P. Hardin, treas.

San Miguel Hydraulic Mining Co., incorporated June 7, 1877; capital stock, $12,000, in 1,200 shares, $10 each; office, Denver; trustees, Dennis B. Harris, Robert Connely, and William F. Shanks.

Santa Clara. W. H. Lilley & Co., proprietors; office, Ouray; claim, 300 by 1500 feet; located

1883

St. Louis and Lower San Miguel Placer Mining Company.—Incorporated under the laws of Colorado, in August, 1878; capital $200,000, in 2,000 shares of $100 each, non-assessable; president, Dr. Jno. Pitman; secretary, Henry T. Mudd; treasurer, Dr. ——— Hodges—all St. Louis; office Placerville; owns Bar No. 1 (placer), 160 acres; situated on the south side of San Miguel River, one and a fourth miles east of Placerville, Lower San Miguel district, and located in 1876; production probably twenty-eight cents per cubic yard; developed by three and five-eighths miles of fluming, three feet square, 380 feet of sluicing, 480 feet of iron pipe, forty-two inches at the head and narrowing to sixteen inches in width at the other end; worked by one Giant; output $1,200 in the nine days that the property was worked.

San Juan.—300x1500 feet; situated on the south-west slope of Yellow Mountain, a couple of hundred feet above Lake Fork Creek, convenient to the Rico and Ames wagon road, one mile north-east of Trout Lake, and one and a half miles south-east of Ames, Iron Springs district, and located in 1877; owners H. O. Horne, Trout Lake, Joseph Cuenin and Mrs. C. J. Rouech, both Gunnison City; vein a fissure nine feet wide of galena, gray copper, brittle silver, and sulphurets; ina quartz and spar gangue intermixed, milling, when sorted, twenty-five per cent copper, $17 in gold, and ninety ounces silver per ton; developments—four drifts, 280, 290, 120, and 30 feet in length, one sixty-foot shaft, and one twenty-foot drift, with some other workings, exposing large ore-reserves, the same improving with depth, there being apparently two mineral veins converging together, one of which contains a galena and sulphuret ore, and the other a gray copper, both yielding well; improvement—ore-house, boarding-house, etc., and in addition an abundance of excellent timber.

San Miguel and Valley Placers.—Two claims, 160 acres each; situated on the San Miguel River, five miles west of Telluride, Upper San Miguel district, and located in August, 1880; owners Wm. H. Wheeler, Ames, Henry H. Hart and S. D. Batchelder, both Placerville, Chas. A. Wheeler and W. D. Wheeler, both Ouray, and F. C. Taylor, Denver; developed by one shaft forty feet deep and one-fourth mile of ditch; production probably twenty-five cents per cubic yard.

San Miguel Concession (The).—Incorporated under the laws of Great Britain in July, 1882; capital stock $30,000, in 1,200 shares of $25 each; board of directors: Geo. Reavely, Q. C., chairman, J. B. Akroid, M. E., Sam'l Roberts, Esq., A. H. Ruegg, Esq., and H. L. Vaughan, Esq., all London, Eng.; bankers, Alliance Bank, limited, London; consulting engineer, Thos. Curry Gregory, Eng.; solicitors, Francis & Johnson, 22 Austin Friars, London; secretary, L. K. Church; offices Queen's Building, 46 Queen Victoria street, London, E. C.; manager, Capt. Wm. Maclachlan, Pandora; owns the Little Mary Group, six claims, 300x1500 feet each, viz.: Star of the West, Little Mary, Whale, Little Annie, Bonny, and Pandy; situated in Marshall Basin, two miles north of Pandora, Upper San Miguel district, and located in July, 1881; vein a fissure from six to eight feet wide, pay streak from eighteen to twenty eight inches, containing a tellurium and gold ore in a quartz gangue, milling, when sorted, $500 per ton; developed by two shafts seventy and forty feet deep, four tunnels from twenty to forty feet in length; improvements—two shaft-houses; output twenty-five tons during the progress of development.

San Miguel Crushing and Sampling Works.—Situated in San Miguel City; owner W. H. Strout, San Miguel City; building 44x50 feet; containing ten Stamps, one Frue Vanner, Grinding mill for sampling, Dodge Crusher, and motive power supplied by an eight-horse-power engine and an eight-horse-power boiler; capacity ten tons per day; and one Water-jacket Blast-furnace; capacity ten tons, making a total capacity of twenty tons per day.

1879

Inter-Ocean. Ernest Galt and Charles B. Frye, proprietors; office, Ouray; claim, 300 by 1500 feet; located 1876; situated on Poughkeepsie mountain, Uncompahgre mining district, five miles from Ouray; course of vein, north and south, width, 7 feet, pay vein, 15 inches, pitch, 10°; nature of ore, galena and copper pyrites, assay value, 150 ounces silver per ton; one drift, 28 feet in length.

Inverness. John Billings, proprietor; office, Ouray; claim, 300 by 1500 feet; located 1876; situated 1876; situated on Mount Abram, Uncompahgre mining district, six miles from Ouray; course of vein, northeast and southwest, width, 10 feet, pitch, 30°; nature of ore, gray copper and brittle silver, assay value, 1500 ounces silver per ton; one shaft, 21 feet deep.

Iowa. J. W. Patterson and R. Kerns, proprietors; office, Ouray; claim, 300 by 1500 feet; located 1876; situated on Bear creek, Uncompahgre mining district, four miles from Ouray; course of vein, northwest and southeast, width, 8 feet, pay vein, 2 feet, pitch, 25°; nature of ore, galena and gray copper, assay value, 90 ounces silver per ton; one shaft, 7 feet deep, one adit, 12 feet in length, with 10-foot face.

Iron Sides. D. Durfee and J. R. Rounds, proprietors; office, Ophir; claim, 300 by 1500 feet; located 1877; situated on Silver mountain, Iron Springs mining district, two miles from town of Ophir, and twelve miles from Ouray; course of vein, east and west, width, 20 feet, pitch, 15°; nature of ore, gray copper and galena, assay value, 300 ounces silver per ton; one shaft, 4 feet deep.

Irving. J. B. Andrews and E. B. Cope, proprietors; office, Ouray; claim, 300 by 500 feet; located 1877; situated on Treasure hill, Mount Sneffels mining district, nine miles from Ouray; vertical vein, trending northwest and southeast, width, 6 feet; nature of ore, gray copper, assay value, 160 ounces silver per ton; one adit, 30 feet in length.

Josephine. Owned by W. Ingersoll and J. C. Rankin; office, Ouray; claim, 300 by 1500 feet; located 1877; situated on Uncompahgre creek, Uncompahgre mining district, five miles from Ouray; course of vein, north and south, width, 24 feet, pay vein, 3 feet, pitch, 25°; nature of ore, galena, zinc, copper and iron pyrites, assay value, 160 ounces silver per ton; one tunnel, 20 feet in length which interests the vein 25 feet from the surface.

Junction. Owned by M. N. Funk & Co.; office, Ouray; claim, 300 by 1500 feet; located 1875; situated on Hardin mountain, Uncompahgre mining district, three miles from Ouray; vertical vein, trending northwest and southeast, width, 8 feet, pay vein, 5 feet, nature of ore, gray copper and galena, assay value, 40 to 800 ounces silver per ton; one adit, 20 feet in length, with 25 foot face.

Kenrick, S. B. Owned by J. A. Beattie and A. A. Klingensmith; office, Ophir; claim, 300 by 1500 feet; located 1877; situated on Horn mountain, Iron Springs mining district, four miles from town of Ophir, and twelve miles from Ouray; vertical vein, trending northeast and southwest,

1879

Kentrick

width, 6 feet, pay vein, 18 inches; nature of ore, gray copper and sulphurets, average value, 106 ounces silver, per ton, one tunnel 25 feet in length, intersecting vein at a depth of 25 feet; yield, $400.

Kentucky Belle. Andrew Cumtons, proprietor; office, Ouray; claim, 300 by 1500 feet; located 1876; situated on Uncompahgre creek, Uncompahgre mining district, five miles from Ouray, course of vein, northeast and southwest, width, 20 feet, pitch, 15°; nature of ore, galena, assay value, 80 ounces silver per ton; one shaft 14 feet deep, one adit 20 feet in length, with 16 foot face.

Kentucky Giant. Owned by G. Purcells, J. A. White and P. Cusick; office, Ouray; claim, 300 by 1350 feet; located 1875; situated on Abraham mountain, Uncompahgre mining district, six miles from town of Ouray; course of vein, northeast and southwest, width, 12 feet, pay vein, 4 feet, pitch, 10°; nature of ore, brittle silver and Iron pyrites, average value, 65 ounces silver per ton; one shaft, 70 feet deep, two adits 12 and 18 feet in length respectively.

Keystone Placer. Situated on the north fork of the San Miguel river, three miles from town of San Miguel, and 23 miles from Silverton; comprises 60 acres of ground, worked by hydraulic pressure, has a flume 2,600 feet in length.

King of the Mountain. Owned by J. F. Robison and G. C. Horner; office, Silverton; claim, 300 by 1500 feet; located 1877; situated on Silver mountain, Iron Springs mining district, near town of Ophir, twelve miles from Ouray; course of vein, north and south, width, 2 feet, pay vein, one foot, pitch, 20° southeast; nature of ore, free gold, average value, $40 per ton; one drift, 25 feet feet in length and 18 feet from surface.

Lamar. Owned by L. B. Clay & Co.; office, Ouray; claim, 300 by 15 feet; located 1878; situated in Defiance gulch, Mount Sneffels mining district, nine miles from Ouray; vertical vein, trending north and south, width, 20 feet, pay vein, 2 feet; nature of ore, gray copper and galena; one drift, 30 feet in length and 30 feet from surface.

Last Chance. E. Morton, proprietor; office, Ouray; claim, 300 by 1500 feet; located 1877; situated on Bear creek, Uncompahgre mining district, four miles from Ouray; vertical vein, trending north and south, width, 5 feet, pay vein, 15 inches; nature of ore, galena and gray copper, average value, 80 ounces silver per ton; one shaft 20 feet deep.

Lawrence. Owned by J. L. Arnold, J. M. Mulholland & Co.; office, Ophir; claim, 300 by 1500 feet; located 1878; situated on Silver mountain, Iron Springs mining district, one mile from town of Ophir, and twelve miles from Ouray; course of vein, northeast and southwest, width, 7 inches, pitch, 20°; nature of ore, gray copper and galena; value, 18 ounces silver and 2 ounces gold per ton; one tunnel 20 feet in length.

Lincoln Boy. Owned by G. W. Strouse and S. S. Austin; office, Ouray; claim, 300 by 1500 feet; located 1875; situated on

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

IN REPLY REFER TO: Office of Minerals Exploration
Mail Stop 953

June 16, 1978

Re: OME-6885 (Silver-Gold)
Charles H. Turner and
Anne Z. Turner
d/b/a Hamilton Resources
Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Mr. Charles H. Turner and
Ms. Anne Z. Turner d/b/a
Hamilton Resources Corporation
P.O. Box 3224 Hi Mar Station
Boulder, Colorado 80303

Dear Mr. and Ms. Turner:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since August 19, 1977, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☐

2. Since August 19, 1977, has there been any production from the land subject to the contract? Yes ☐ No ☐

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings *(see* , has any production been transported through *of contract)*? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	*Title*
Address	*Date*

United States Department of the Interior

GEOLOGICAL SURVEY
Box 25046
Denver Federal Center
Denver, Colorado 80225
Stop 932

IN REPLY REFER TO:

August 29, 1977

Mr. Charles H. Turner and
Ms. Anne Z. Turner d/b/a
Hamilton Resources Corporation
P. O. Box 3224 Hi Mar Station
Boulder, Colorado 80303

Re: OME 6885
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Turner:

Enclosed is a Certification of Possible Production under an Exploration Contract Pursuant to Article 7 of the referenced contract, as amended.

The Government based the certification on the reserves discovered as a result of the amount of exploration work completed, as well as upon the fact that a neighboring mill may be operated if ore can be mined from the San Juan Mine and several adjoining properties. This would give the Government an opportunity to receive royalty on any ore produced at the San Juan Mine.

Should you produce any ore from the San Juan Mine between June 17, 1974, to June 17, 1984, please follow the instructions given in the accompanying Certification of Possible Production.

It has been a pleasure to have been of assistance to you in the exploration project.

Sincerely yours,

J. William Hasler

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

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

United States Department of the Interior

GEOLOGICAL SURVEY
Box 25046
Denver Federal Center
Denver, Colorado 80225
Stop 932

IN REPLY REFER TO:

August 29, 1977

Mr. Charles H. Turner and
Ms. Anne Z. Turner d/b/a
Hamilton Resources Corporation
P. O. Box 3224 Hi Mar Station
Boulder, Colorado 80303

Re: OME 6885 (Silver - Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Turner:

Enclosed is a copy of a Cost Review on the above referenced contract which was made by the Office of Audit and Investigation during July 1977.

The request was made at the request of the Chief, Office of Minerals Exploration (OME).

I have reviewed the report and concur in the facts included in it.

Please review the report and if you concur in the facts retain the copy. If for any reason you do not concur, the report should be returned to this office with appropriate comments.

Sincerely yours,

J. William Hasler

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

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

June 23, 1977

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, CO 80225

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner
d/b/a Hamilton Resources Corp.
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

We enclose three copies of the Final Report pertaining to OME Contract 2313, pursuant to ARTICLE 5 (c) of said Contract.

Each copy includes a narrative account, geologic map, assay map, and ore reserve map.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

encls.

FINAL REPORT

OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

The following table covers work completed under the above Contract, together with costs of the various items:

Item	Units	Cost
Drifting	163 Ft.	14 181.00
Supervision	3 months	4 500.00
Outside Consultant	1 trip	125.00
Transportation/ "	210 mi.	25.20
Office & accounting	3 months	150.00
Payroll taxes, FICA	5 months	1 561.44
Bulldozing	30 hours	825.00
Assaying	26 samples	305.50
		21 673.14

In addition to the work completed under the Contract, it became necessary to carry out several rehabilitation and maintenance projects, due to causes beyond our control. These are listed below:

1. During September, October and November, 1974, it was necessary to completely re-timber the main portal, and to complete approximately six weeks of rehabilitation in the main level. This work was required due to the fact that the supporting timbers at the mine entrance, and for some distance inside the mine, had been stolen and part of the workings had been allowed to cave. Estimated cost of this extra work, including labor, timber, other supplies, amounted to $8,500.00.

2. New Colorado Bureau of Mines regulations necessitated building an improved powder magazine, at a cost of approximately $1,500.00.

3. During the Spring of 1975 the run-off from melting snow completely washed out the access road to the mine; also, a large dump directly above A-Level portal was dislodged, resulting in a massive slide which completely buried the main portal. Approximately five months were spent repairing the access road, opening the portal and repairing the damage, including timbers, pipelines, etc., before work could be resumed. Estimated cost of this work, including labor, supplies, etc., was $9,520.00.

4. In October, 1975, electric power was finally made available, at a cost of $1,200.00, one year after the application has been filed. In the meantime, the Company's electric compressor had been undergoing a complete overhaul in preparation for its installation at the mine. Replacement parts were ordered, but some were never received. After many months of waiting, the manufacturer advised, on March 1, 1977, that the missing parts were no longer available, and that they would have to be shop fabricated. Since specially treated steel was required, we were unable to find a machine shop which was prepared to produce the needed parts. Estimated cost of this project was $6,720.00.

5. In addition to the foregoing, the work program was seriously handicapped by shortage of experienced labor, lack of sources of supply for equipment replacement parts, and many lost time shifts due to record snow falls during the winter of 1974-75. The cost of snow removal, alone, is estimated at $7,500.00 during this period.

Total estimated cost of extra work, not covered by the Contract, amounted to $34,940.00.

GEOLOGY. (Map 1)

The San Juan vein was exposed for a length of 144 feet, under the Contract. In addition, an off-shoot stringer was investigated for a distance of 19 feet, for a total advance of 163 feet.

The stringer pinched, and work was resumed on the main structure.

The main vein continued strong and well defined throughout its exposed length, over widths from 14" to 36", for an average width of 22.7 inches. However, values were low for a length of 30 feet, from 25 feet to 55 feet east of the start of the OME program.

The vein is generally quartz with some barite, pyrite, chalcopyrite and tetrahedrite. Assay values are in gold, silver, copper and lead.

The 30-foot section of vein which contained low values was split into two narrow stringers, separated by country rock, and fractured by faulting. Sparse mineralization was noted in this section.

The vein is a water course, and the flow of water fluctuates according to the time of year.

Samples and assays are tabulated in the following table: (see Map 2).

ASSAYS

No.	Au/oz	Ag/oz	Cu/%	Pb/%	Inches
1	.005	3.23	.50	.30	20
2	.035	8.54	.90	.40	24
3	.010	3.86	.60	.30	26
4	.005	0.25	.03	.04	24 (H.Wall)
5	.020	12.13	.90	.30	30
6	.040	.55	.10	.20	22
7	.075	3.25	.48	.17	20
8	.045	2.51	.65	.12	26
9	.020	1.00	.43	.04	27
10	.035	3.33	.92	.12	30
11	.001	.16	.22	.02	18 (F.Wall)
12	.001	5.27	.50	.08	18
13	.005	15.71	2.00	.20	20
14	.020	0.84	.04	.30	8 (X-cut)
15	.020	23.12	1.45	.35	18
16	.010	11.29	1.80	.50	20
OME	.015	20.70	1.72	.56	18
17	.103	29.20	1.17	.02	14
18	.103	3.34	1.35	.04	22
19	.134	13.12	.68	.27	24
20	.157	8.40	.66	.12	21
21	.040	6.56	.60	1.24	36
22	.020	4.78	.30	.25	36
23	.020	3.42	.75	.20	34
24	.040	2.94	1.40	.10	18
25	.020	6.36	1.10	.10	28
26	.001	8.22	1.70	.30	22
27	.010	6.20	1.40	.40	22
28	.020	5.90	1.10	.60	20
29	.040	5.75	1.20	.55	21
30	.065	14.20	1.25	.50	20
31	.050	5.50	1.15	.45	16
32	.040	4.20	.90	.40	12
Brodie	.080	5.34	.34	.38	36
Wtd.Av.	.038	6.93	.86	.30	22.7"

NOTE - Eliminating Samples #4 (hanging-wall of vein), #6 thru #12 (low values in fault zone), and #14 (x-cut), the values calculate as follows:

.040	9.22	1.00	.34	23.9"

Four additional samples were taken from the vein and muck pile as follows:

.50	8.77	1.10	.24	Sta.E + 20'.	Vein
.022	2.68	.285	.088	E + 40'	Muck
.01	.57	.29	.07	E + 58A	"
.01	2.26	.80	.26	E + 58B	"

ORE RESERVES.

A total of 144 feet of mineralized vein was opened under the Contract. Assuming that comparable mineralization extends above A-Level, 78 feet to B-Level, at a consistent width of 2 feet, tonnage in the block amounts to 2246 tons, less an estimated 100 tons of low grade material, resulting in a total of 2146 tons. Extending the block below A-Level for 25 feet, the additional tonnage amounts to 720 tons, for a total of 2866 tons above and below A-Level.

In addition to the above, ore blocks indicated by development work previously completed are shown on Map 3, Ore Reserves, attached hereto. These blocks indicate a tonnage of 2820 tons.

The above tonnages are not blocked on four sides.

Since the method of mining this type of orebody would probably be narrow shrinkage or scraper-slot stoping, it is felt that dilution with waste should not exceed 10% maximum, and the average should amount to considerably less.

Due to rapidly changing metal prices, it is impossible to place a value on the ore. However, according to the best estimates available in the district, the cut-off point would be within a range of $48.00 to $54.00 per ton, depending on the prices of the metals contained.

June 15, 1977.

Reported:

Charles H. Turner

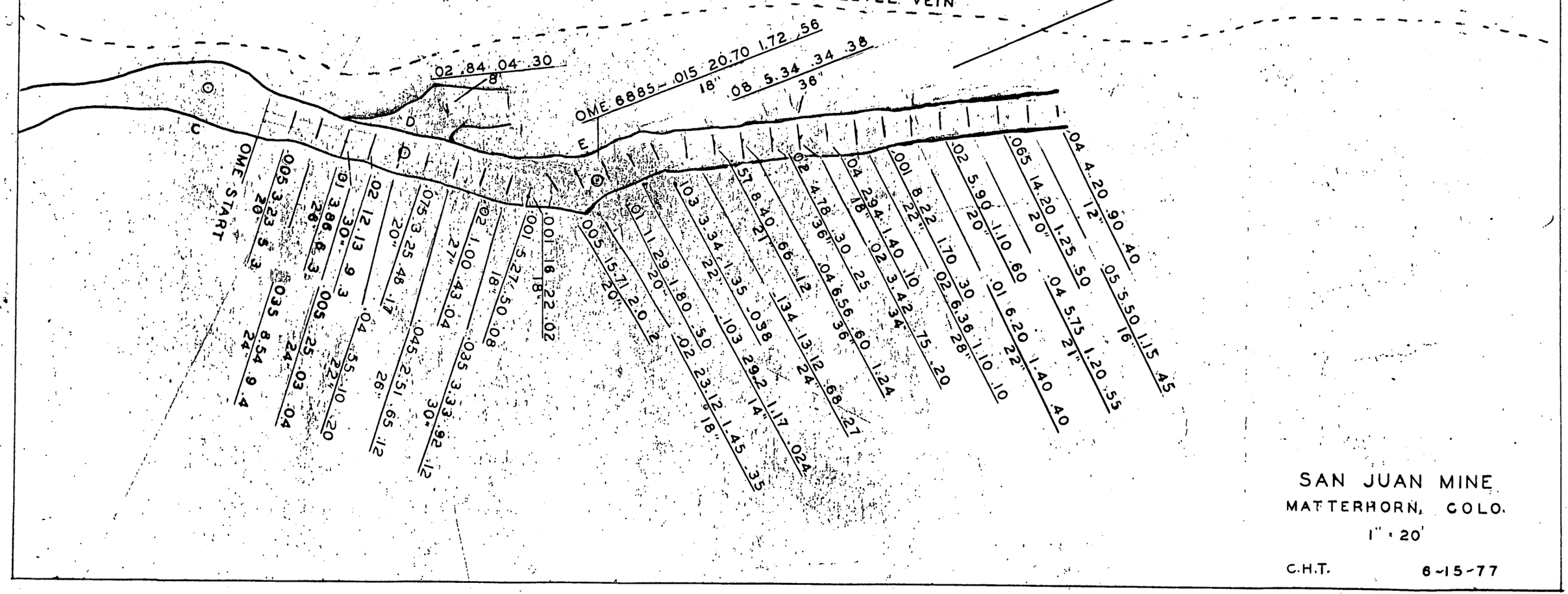
Charles H. Turner

MAP 2

ASSAY MAP

VALUES SHOWN - AU AG CU PB / INCHES

OME GRABS -		AU	AG	CU	PB
	E PLUS 20	.50	8.77	1.10	.24
"	40	.022	2.68	.28	.088
"	58A	.01	.57	.29	.07
"	58B	.011	2.26	.80	.26



SAN JUAN MINE
MATTERHORN, COLO.
1" = 20'

C.H.T. 6-15-77

MME Form 14
July 1965

8,450.14

24,705
16,255
8,450

Contract No. [redacted] 2313

Docket No. [redacted] 6885
OME [redacted]

Date of Action Aug. 29, 1977

DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

OBLIGATION DOCUMENT

To: Chief, Branch of Budget & Finance

From: Chief, Office of Minerals Exploration

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

Charles H. Turner and Anne Z. Turner d/b/a
Hamilton Resources Corporation
P.O. Box 3224 Hi Mar Station
Boulder, Colorado 80303

Date of Contract	Region	State	Commodity
June 17, 1974	III	Colorado	Silver-Gold

	Reserve	Obligation
Prior Amount		8,450.14
Increase		
Decrease		8,450.14
Revised Amount		0

Remarks:

Hold balance until a new contract is prepared.

cc: 110
800
210

Extra copy

EXPLORATION CONTRACT
CHARLES H. TURNER and ANNE Z. TURNER d/b/a
HAMILTON RESOURCES CORPORATION
OME-6885

AMENDMENT NO. 3

It is agreed this 21st day of September, 1976, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government," and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator," that Exploration Contract 2313 (OME-6885) dated June 17, 1974, is amended effective September 17, 1976, as follows:

1. The time fixed by Article 1(a) of the Contract as amended by Amendment No. 2 for completion of the work is extended from twenty-seven (27) to thirty-three (33) months from the date of the Contract, or until March 17, 1977.

2. The maximum period for payment of royalty set forth in Article 7(b) of the Contract, and for the lien to secure payment thereof set forth in Article 7(e) of the Contract is extended from ten (10) to twelve (12) years from the date of the Contract, or until June 17, 1986.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Except as herein amended, Exploration Contract 2313 (OME-6885), dated June 17, 1974, shall remain in full force and effect.

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Chief, Office of Minerals Exploration

Charles H. Turner
Anne Z. Turner d/b/a
HAMILTON RESOURCES CORPORATION

By_____
Title_____

By_____
Title_____

EXPLORATION CONTRACT
CHARLES H. TURNER and ANNE Z. TURNER d/b/a
HAMILTON RESOURCES CORPORATION
OME-6885

AMENDMENT NO. 3

It is agreed this 21st day of September, 1976, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government," and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator," that Exploration Contract 2313 (OME-6885) dated June 17, 1974, is amended effective September 17, 1976, as follows:

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This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Except as herein amended, Exploration Contract 2313 (OME-6885), dated June 17, 1974, shall remain in full force and effect.

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Chief, Office of Minerals Exploration

Charles H. Turner
Anne Z. Turner d/b/a
HAMILTON RESOURCES CORPORATION

By_____
Title_____

By_____
Title_____

Recorded at 11:40 o'clock A M., November 25, 1969
Reception No. [illegible] Mollie Rae Carver Recorder.

THIS DEED, Made this 19th day of November, 1969,

between GEORGE E. OTTEN, JR.

of the City and County of Denver and state of Colorado, of the first part, and

CHARLES H. TURNER and ANNE Z. TURNER

of the City and County of Boulder and state of Colorado, of the second part,

WITNESSETH, That the said party of the first part, for and in consideration of the sum of TEN DOLLARS AND OTHER VALUABLE CONSIDERATION----------DOLLARS, to the said party of the first part in hand paid by the said parties of the second part, the receipt whereof is hereby confessed and acknowledged, has remised, released, sold, conveyed and QUIT CLAIMED, and by these presents does remise, release, sell, convey and QUIT CLAIM unto the said parties of the second part, their heirs, successors and assigns, forever, all the right, title, interest, claim and demand which the said party of the first part has in and to the following described lot or parcel of land situate, lying and being in the ---------- County of San Miguel, and State of Colorado, to-wit:

S.B.Kenrick Lode Claim, U.S.Patent Survey 2683,
San Juan Lode Claim, U.S.Patent Survey 1167-A,
San Juan Millsite, U.S.Patent Survey 1167-B,
Sections 4 and 5, T.41 N., R.9 W., N.M.P.M.

State Documentary Fee
Date NOV 25 1969
$ Exempt

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of the said party of the first part, either in law or equity, to the only proper use, benefit and behoof of the said parties of the second part, their heirs and assigns forever.

IN WITNESS WHEREOF, The said party of the first part has hereunto set his hand and seal -- the day and year first above written.

Signed, Sealed and Delivered in the Presence of

George E. Otten [SEAL]

[SEAL]

[SEAL]

[SEAL]

STATE OF COLORADO,
County of Boulder } ss.

The foregoing instrument was acknowledged before me this 19th day of November 19[illegible] by George E. Otten

My commission expires Sept. 18th, 1973. Witness my hand and official seal.

SARAH B. BENSON NOTARY PUBLIC STATE OF COLORADO

Sarah B. Benson
Notary Public.

*If by natural person or persons here insert name or names; if by person acting in representative or official capacity or attorney-in-fact, then insert name of person as executor, attorney-in-fact or other capacity or description; if by officers of corporation, then insert name of such officer or officers, as the president or other officers of such corporation, meaning by [illegible] Acknowledgment, Section 1997.

No. 935. QUIT CLAIM DEED.—[illegible]

Copies of Indenture
of April 23, 1973
are with copies of
proposed contract.

Recorded at [illegible] o'clock [illegible] M., [illegible]

Reception No. 176[illegible] Mollie Rae Carver Recorder.

THIS INDENTURE, Made this 14th day of November, 1969, between

The San Juan Mining and Developing Company

of the City and County of Denver and State of Colorado, party of the first part, and

Charles H. Turner, Anne Z. Turner, and George E. Otten, Jr., as tenants in common

of the County of Boulder and State of Colorado, parties of the second part;

WITNESSETH, That the said party of the first part, for and in consideration of the sum of ---------- Ten ($10.00) or more Dollars, to it in hand paid by the said parties of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold, remised, released and forever quit-claimed, and by these presents does grant, bargain, sell, remise, release and forever quit-claim, unto the said parties of the second part, their heirs and assigns, the following described property, situate, lying and being in Trout Lake Mining District, in the County of San Miguel, and State of Colorado, to-wit:

S. B. Kenrick Lode Claim, U.S. Patent Survey 2683
San Juan Lode Claim, U.S. Patent Survey 1167-A
San Juan Mill Site, U.S. Patent Survey 1167-B
Sections 4 and 5 T. 41 N. R. 9 W. N.M.P.M.

State Documentary Fee
Date NOV 25 1969
$ Exempt

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said parties of the second part their heirs and assigns forever.

IN WITNESS WHEREOF, The said party of the first part has hereunto set its hand and seal the day and year first above written.

Signed, sealed and delivered in the presence of

The San Juan Mining and Developing Company

[illegible] [SEAL]
President

Donna Torrey [SEAL]
Secretary

[SEAL]

STATE OF COLORADO,
City and County of Denver } ss.

The foregoing instrument was acknowledged before me this 14th day of November 1969 by Christian F. Murer and Donna Torrey

My commission expires Nov. 21, 1972. Witness my hand and official seal.

Odessa Young
Notary Public.

ODESSA YOUNG NOTARY PUBLIC STATE OF COLORADO

Know all Men by these Presents, That Whereas, a Treasurer's Deed dated the..... day of ....., 19....., conveying the hereinafter described real estate, was delivered to the County of....., State of Colorado, and said Treasurer's Deed was duly recorded in Book..... at Page..... of the records of the County Clerk and Recorder of the County of ..... State of Colorado;

~~*And Whereas ..... made written application for the sale of the hereinafter described property and deposited with the County Commissioners the cost of advertising;~~

†And Whereas the County Commissioners of the County of..... did cause notice of sale at public sale of such real estate to be advertised and posted in the manner and for the time required by law and did offer such real estate for sale at public sale on the ..... day of ..... 19 ....., at the time and place as stated in said notice;

And Whereas, ... of the County of ....., State of ..... bid for said property the sum of ..... DOLLARS and ..... CENTS which bid being the highest and best bid for cash and being more than the appraisal value made by the County Assessor of said property for this year, was accepted by the Board of County Commissioners of the said County of .....

And Whereas, the said..... has paid the sum of ..... DOLLARS and ..... CENTS in full payment of said bid for said property;

Now Therefore, the County of ..... by and through the Board of County Commissioners of said county, for and in consideration of the sum of..... DOLLARS and ..... CENTS paid as aforesaid, and by virtue of the statutes in such case made and provided by these presents does grant, bargain and sell the following described real estate, to-wit:

situate, lying and being in the County of....., State of Colorado, unto the said ....., his heirs and assigns, without any covenants of warranty whatsoever and subject to all the rights of redemption by minors, insane persons or idiots as provided by law and the lien of any special assessments against said real estate or the conveyance thereof by the county.

In Witness Whereof, I,....., County Treasurer of said County of ....., State of Colorado, on behalf of said County and by virtue of the direction contained in the order made by said Board of County Commissioners on the..... day of....., 19....., have hereunto set my hand and affixed the seal of said County this.....day of....., 19....., for the uses and purposes therein set forth.

[County Seal]

Donald A. O'Rourke (Seal)

County Treasurer of the County of....., Colorado.

*Erase if no such written application.

†In case no public auction was held erase all of this paragraph.

STATE OF COLORADO,

County of..... ss.

The foregoing instrument was acknowledged before me this day of

19 , by

of , as County Treasurer of the Coun

in the State of Colorado.

My commission expires

Witness my hand and official seal this day of

A. D. 19

Witness my hand and official seal.

[illegible] recorded in Book 22

Page

Colly A. Clary

EX OFFICIO

By

DEPUTY.

Fee $ 1.00

Know all Men by these Presents, That Whereas, a Treasurer's Deed dated the 17th day of March, 19 47, conveying the hereinafter described real estate, was delivered to the County of San Miguel, State of Colorado, and said Treasurer's Deed was duly recorded in Book 210 at Page 4-B of the records of the County Clerk and Recorder of the County of San Miguel State of Colorado;

*~~And Whereas ... made written application for the sale of the hereinafter described property and deposited with the County Commissioners the cost of advertising~~;

†And Whereas the County Commissioners of the County of San Miguel did cause notice of sale at public sale of such real estate to be advertised and posted in the manner and for the time required by law and did offer such real estate for sale at public sale on the 28th day of April 19 47, at the time and place as stated in said notice;

And Whereas, Charles H. Turner of the County of San Miguel, State of Colorado, bid for said property the sum of Ten DOLLARS and No CENTS which bid being the highest and best bid for cash and being more than the appraisal value made by the County Assessor of said property for this year, was accepted by the Board of County Commissioners of the said County of San Miguel;

And Whereas, the said Charles H. Turner has paid the sum of Ten DOLLARS and No CENTS in full payment of said bid for said property;

Now Therefore, the County of San Miguel by and through the Board of County Commissioners of said county, for and in consideration of the sum of Ten DOLLARS and No CENTS paid as aforesaid, and by virtue of the statutes in such case made and provided by these presents does grant, bargain and sell the following described real estate, to-wit:

Undivided One-eighth (1/8) San Juan Lode, Survey No. 1167 A, containing Ten and Thirty-three Hundredths (10.33) acres, Undivided One-eighth (1/8) San Juan Millsite, Survey No. 1167 B, containing Five (5.0) acres; all lying in the Trout Lake mining District,

situate, lying and being in the County of San Miguel, State of Colorado, unto the said Charles H. Turner, his heirs and assigns, without any covenants of warranty whatsoever and subject to all the rights of redemption by miners, insane persons or idiots as provided by law and the lien of any special assessments against said real estate or the conveyance thereof by the county.

In Witness Whereof, I Donald A. O'Rourke, County Treasurer of said County of San Miguel, State of Colorado, on behalf of said County and by virtue of the direction contained in the order made by said Board of County Commissioners on the 21st day of July, 19 47, have hereunto set my hand and affixed the seal of said County this 21st day of July, 19 47, for the uses and purposes therein set forth.

[County Seal]

Donald A. O'Rourke (Seal)
County Treasurer of the County of San Miguel, Colorado.

*Erase if no such written application.
†In case no public auction was held erase all of this paragraph.

STATE OF COLORADO,

County of San Miguel } ss.

The foregoing instrument was acknowledged before me this 21st day of July 19.47, by Donald A. O'Rourke, as County Treasurer of the County of San Miguel in the State of Colorado.

~~My commission expires~~

Witness my hand and official seal this 21st day of July, A. D. 19.47.

Sally A Clark
County Clerk and Recorder

No.

Deed From County

FROM THE COUNTY OF

San Miguel

TO

Charles H. Turner

STATE OF COLORADO,

County of San Miguel } ss.

I hereby certify that this Deed was filed for record in my office at 4:05 o'clock P. M., July 30, 19.47, and is duly recorded in Book 210 Page 20

Sally A Clark
RECORDER.

By
DEPUTY.

Fee $1.15

OUT WEST PRTG. & STATY. CO., COLORADO SPRINGS F8048

INDEXED COMPARED

Know all Men by these Presents, That, whereas, the following described real property [illegible]

situated in the County of and State of Colorado, was subject to taxation for the year A. D.

And, Whereas, The taxes assessed upon said property for the year [illegible] remained due and unpaid at the date of the sale hereinafter named;

And, Whereas, The Treasurer of the said County did, on the day of, A. D. 19

by virtue of the authority vested in him by law, at *an adjourned sale, *the sale begun and publicly held on the day of

, A. D. 19, expose to public sale at the office of the Treasurer in the County aforesaid, in substantial conformity with the requirements of the statute in such case made and provided, the real property above described for the payment of the taxes, interest and costs then due and remaining unpaid on said property;

~~**And, Whereas,** At the time and place aforesaid~~ of the County of and of bid on all of the above described property the sum of Dollars and Cents, being the whole amount of taxes, interest and costs then due and remaining unpaid upon said property for said year , and the said having offered in his said bid to accept interest upon the said sum at the rate of per cent. per annum for the first six months, and at the rate of per cent. per annum for the next six months, and thereafter at the rate of per cent. per annum, and the said rate of interest being the lowest rate of interest at which any person offered to pay the said taxes, interest and costs so due upon said property for said year and payment of the said sum having been made by him to the said Treasurer, the said property was stricken off to him at that price;

***And, Whereas,** The said did, on the day of, A. D. 19, duly assign the certificate of the sale of the property as aforesaid, and all his rights, title and interest in said property, to of the County of and of

***And, Whereas,** The said did, on the day of, A. D. 19, duly assign the certificate of the sale of the property as aforesaid, and all his rights, title and interest in said property, to ~~of the County of~~ and of

And, Whereas, At the sale so held as aforesaid by the Treasurer, no bids were offered or made by any person or persons for the said property, and no person or persons having offered to pay the said taxes, interest and costs upon the said property for said year , and the Treasurer having become satisfied that no sale of said property could be had, therefore the said property was, by the then Treasurer of the said County, stricken off to the said County, and a certificate of sale No. was duly issued therefor to the said County in accordance with the statute in such case made and provided;

***And, Whereas,** The said County of, acting by and through its County Treasurer, and in conformity with the order of the Board of County Commissioners of the said County, duly entered of record on the day of , A. D. 19, the said day being one of the days of a regular session of the Board of County Commissioners of the said County, did duly assign unto the certificate of sale of said property, so issued as aforesaid to said County, and all its rights, title and interest in said property held by virtue of said sale;

***And, Whereas,** The said has paid subsequent taxes on said property to the amount of Dollars and Cents;

And, Whereas, More than three years have elapsed since the date of the said sale and the said property has not been redeemed therefrom as provided by law;

And, Whereas, The said property was assessed for said year at a sum of ~~*less~~ *more than one hundred dollars;

And, Whereas, All the provisions of the statutes prescribing prerequisites to obtaining tax deeds have been fully complied with, and are now of record, and filed in the office of the County Treasurer of said County;

Now, Therefore, I, Donald A. O'Rourke Treasurer of the County aforesaid, for and in consideration of the sum to the Treasurer paid as aforesaid, and by virtue of the statute in such case made and provided, have granted, bargained and sold, and by these presents do grant, bargain and sell the above and foregoing described real estate unto the said Turner his heirs and assigns, forever, subject to all the rights of redemption by minors, insane persons or idiots, provided by law.

OFFICIAL SEAL

In Witness Whereof, I, Donald A. O'Rourke Treasurer as aforesaid, by virtue of the authority aforesaid, have hereunto set my hand and seal this 18th day of January, A. D. 1946.

Donald A. O'Rourke
TREASURER.

*Strike out in accordance with fact.

STATE OF COLORADO,
County of ..... } ss.

I hereby certify that before me..... in and for said County, personally appeared the above named..... Treasurer of said County, personally known to me to be the Treasurer of said County, at the date of the execution of the above conveyance, and to be the identical person whose name is affixed to the foregoing deed, and who executed the above conveyance as Treasurer of the said County and who acknowledged the execution of the same to be his voluntary act and deed as Treasurer of said County, for the purposes therein expressed.

Given under my hand and ..... seal this..... day of ....., A. D. 19.....

My commission expires.....

Sally A. Clark

No.

TREASURER'S DEED

FROM

COUNTY TREASURER.

TO

STATE OF COLORADO,
County of ..... } ss.

I hereby certify that this Deed was filed for record in my office at 9:30 o'clock A. M., January 31 19 44, and is duly recorded in Book ..... Page .....

..... RECORDER.

By ..... DEPUTY.

FEES, $1.50

WHEN RECORDED RETURN TO

E8750

PRESS COMPANY

Know all Men by these Presents, That Whereas, a Treasurer's Deed dated the 19th day of January, 19 43, conveying the hereinafter described real estate, was delivered to the County of San Miguel, State of Colorado, and said Treasurer's Deed was duly recorded in Book 209 at Page 81 of the records of the County Clerk and Recorder of the County of San Miguel State of Colorado;

~~*And Whereas [illegible] written application [illegible] for the sale of the hereinafter described property and deposited with the County Commissioners the cost of advertising;~~

†And Whereas the County Commissioners of the County of San Miguel [illegible] of sale at public sale of such real estate to be advertised and posted in the [illegible] and did offer such real estate for sale at public sale on the 1st [illegible] April 19 43, at the time and place stated in said notice;

And Whereas, Charles L. Turner [illegible] San Miguel, State of Colorado [illegible] Fifty [illegible] which [illegible] and be [illegible] Amount of [illegible] was accepted by the Board [illegible] San Miguel

And Whereas, the said Charles L. Turner [illegible] Fifty [illegible] in full payment of said bid for said property;

Now Therefore, [illegible] of said County, [illegible] DOLLARS [illegible] DOLLARS paid as aforesaid, and by [illegible] and providing [illegible] warrants, bargains and [illegible]

situate, lying and being in the County of San Miguel, State of Colorado, unto the said Charles L. Turner, his heirs and assigns, without any covenants of warranty whatsoever and subject to all the rights of redemption by minors, insane persons or idiots as provided by law and the lien of any special assessments against said real estate or the conveyance thereof by the county.

In Witness Whereof, Donald A. O'Rourke, County Treasurer of said County of San Miguel, State of Colorado, on behalf of said County and by virtue of the direction contained in the order made by said Board of County Commissioners on the 21st day of July, 19 47, have hereunto set my hand and affixed the seal of said County this 21st day of July, 19 47, for the uses and purposes therein set forth.

[County Seal]

Donald A. O'Rourke (Seal)
County Treasurer of the County of San Miguel, Colorado.

*Erase if no such written application.
†In case no public auction was held erase all of this paragraph.

STATE OF COLORADO,

County of San Miguel

The foregoing instrument was acknowledged before me this 21st day of July 19[illegible], by [illegible], as County Treasurer of the County of San Miguel in the state of Colorado.

My commission expires

Witness my hand and official seal this [illegible] day of July A. D. 19[illegible].

[illegible]

Deed From County

FROM THE COUNTY OF

TO

STATE OF COLORADO,

County of San Miguel

I hereby certify that this Deed was filed for record in my office at 4:00 o'clock P.M. July 30 1947 and is duly recorded in Book [illegible] Page 19

Sally A Clark
RECORDER.

By

DEPUTY.

Fee $ 1.15

31 May

(The consideration of this deed does not require documentary revenue stamps.)

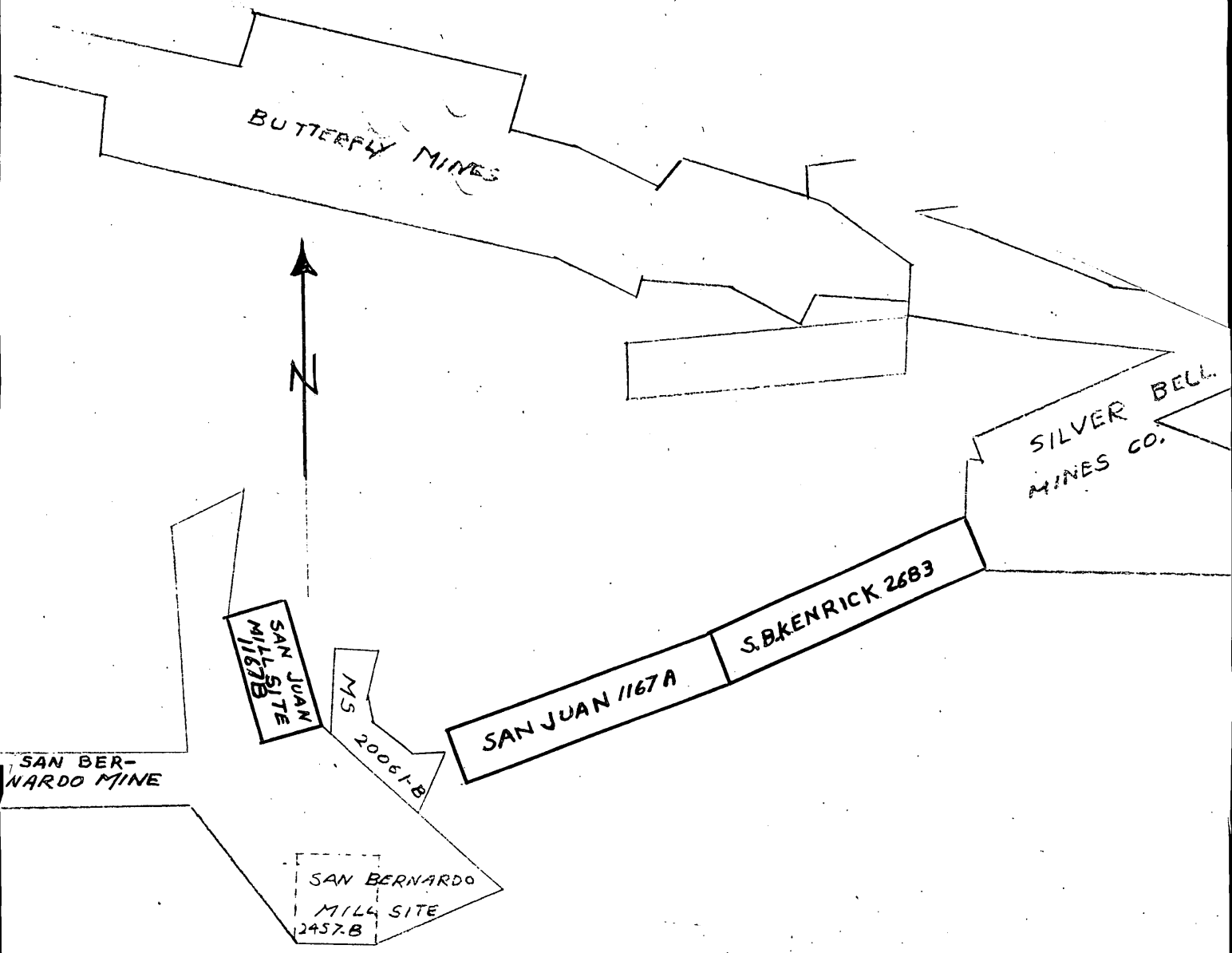
31st May

W. F. CHASTAIN - BOX-920
PRESIDIO, TEXAS

June 1-1949

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
DOCKET 6885



S.B. KENRICK & SAN JUAN CLAIMS

SHOWING RELATIVE POSITIONS OF NEIGHBOURING MINES

1" = 300' JULY 21-47

FIGURE 1

Estimated Costs are as follows: (Continued):

(d) Operating Equipment

Compressor - 600 cfm electric, 3 months rental @ $850.00/month	$2,550.00	
Loader - diesel powered with scrubber, 3 months rental @ $1,000.00	$3,000.00	
Gardner-Denver jackleg drill - 3 months rental @ $300.00/month	$900.00	
Electric pump - 3 months rental @ $100.00	$300.00	
FWD pick-up 3 months rental rental @ $110.00	$330.00	
Mobilization & Demobilization	$300.00	
		$7,380.00

(e) Initial Rehabilitation & Repairs
250' of road (see (a) above)

(f) New Buildings, Fixtures, Installations
None

(g) Miscellaneous

(i) Pick-up truck

Gasoline - 300 gals. @ .50/gal	$150.00	
Oil - 15 gals. @ $3.00/gal.	$45.00	
Maintenance & service-3 months	$90.00	
Diesel loader		
Diesel fuel - 600 gals. @ .45/gal.	$270.00	
Oil - 25 gals. @ $3.00/gal.	$75.00	
Maintenance & service-3 months	$150.00	
		$780.00

(ii)

Assaying - 180 samples @ $8.50 (Au, Ag, Cu, Pb)	$2,115.00 ~~$1,530.00~~	
Office - Reporting & Accounting, 3 months @ $50.00/month	$150.00	
Payroll taxes, insurance, etc. $13,050.00 x 15%	$1,957.50	4,222.50 ~~$3,637.50~~

(iii) Services

Electric power for compressor, blower, pump, 3 months @ $750.00 (est.)		$2,250.00
	TOTAL	~~$35,796.20~~ $36,3[illegible].20

1/ Include all costs whatsoever such as mobilization and demobilization, labor, equipment, materials and supplies and services.

2/ The Government [illegible] of the equipment or materials used.

MME Form 50
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. GEOLOGICAL SURVEY

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME 6885	Silver - Gold		San Miguel	Colorado

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, a Colorado corporation

whose mailing address is P.O. Box 3224 Hi Mar Station, Boulder, Colorado 80303 hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 12 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $32,940.00. The Government will contribute ~~50~~ 75 percent of the allowable costs as they are incurred, in a total sum not in excess of $24,705.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest at the rate of ____ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's right in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

See Annex I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

See Annex I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.-- The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government; however, the original of the Operator's Monthly Voucher shall be supported by documentary evidence, such as certified copies or transcripts of payrolls and invoices, for all costs claimed under Article 6 (a) (1).)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as two copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of the same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article, or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--In addition to the limitations imposed by paragraph (a) of this Article 6 the Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. The provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retains his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or Producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 12. Nondiscrimination in Employment. The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961 as amended and supplemented are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 14. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for

liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provision.--

Executed in ~~quintuplicate~~ quadruplicate the day and year first above written.

CHARLES H. TURNER
Anne Turner d/b/a
HAMILTON RESOURCES CORPORATION
(Operator)

By _____
Title _____

By _____
Title _____

THE UNITED STATES OF AMERICA

By _____
U. S. Geological Survey

I, _____, certify that I am the
(Name)

_____ secretary of the corporation named as Operator herein; that

_____, who signed this contract on behalf of the Operator, was then
(Name)

_____ of said corporation; that said contract was duly signed for
(Title)

and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

CHARLES H. TURNER AND ANNE Z. TURNER d/b/a

EXPLORATION CONTRACT
HAMILTON RESOURCES CORPORATION
OME-6885

ANNEX I

The land, including all rights pertaining thereto, referred to in Article 2 of the contract consists of two (2) patented lode mining claims and a mill site in Sections 4 and 5, T. 41 N., R. 9 W., NMPM, Trout Lake Mining District, San Miguel County, Colorado. These claims are shown in figure 1, titled "S. B. Kenrick and San Juan claims" which is attached and made a part hereof.

The patented lode mining claims are identified as:

Name	U. S. Survey No.
San Juan	1167A
S. B. Kenrick	2683
San Juan Millsite	1167B

The Operator, ~~Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation~~, is in possession of ~~all of~~ these claims by virtue of ~~having been in possession of them for many years as a family inheritance since the early 1900s~~. An Indenture ~~made~~ dated April 23, 1973, between Charles H. Turner and Anne Z. Turner, and Hamilton Resources Corporation, a Colorado Corporation, ~~placed the above patented claims and mill site in the corporation for business and accounting purposes. The instrument is enclosed~~.

Insert CHARLES - - - - TURNER AWNE TURNER (see ANNEX)

EXPLORATION CONTRACT
HAMILTON RESOURCES CORPORATION
OME-6885

EXHIBIT A

The purpose of the project is to explore the San Juan mine for gold, silver, copper, and lead ore bodies by drifting northeastward on the San Juan vein in the No. 2 drift, A Tunnel level, in igneous rocks associated with the Ophir stock.

General Provisions

A bulldozer no smaller than the equivalent of a Caterpillar D-7 shall be used to ~~prepare~~ repair and maintain access roads ~~and drill sites.~~

The drifts to be advanced shall not be less than 6 by 8 feet in cross section and shall be timbered as necessary. Drift ~~and raise~~ sets shall be not less than 8- by 8-inch timber, or equivalent round timber. Roof bolts may be used in lieu of timber. Any crosscutting necessary to recover faulted segments of the vein may be done at the expense of the allowance for equivalent drift advance. ~~The drift shall be run trackless using~~ Rubber-tired, diesel-powered equipment with adequate scrubbers and anti-pollution devices ~~for safety mining~~ shall be used for transportation in the drift.

All significantly mineralized areas traversed by the drifts shall be sampled normal to the trends of the deposits at intervals not exceeding 5 feet. ~~or by~~ In addition, a representative bulk sample of each round broken may be taken.

All samples, from whatever source, shall be split as necessary and one split assayed. The Operator shall store one split of each sample in a suitable container properly labeled. Stored samples shall be made available for Government inspection and possible use, and may be disposed of only with prior Government approval.

All splits of samples assayed shall be analyzed for gold, silver, copper and lead.

True copies of assay certificates and maps or sketches showing the work completed, the location, width, and assay value of all samples assayed, and the geological formations and structures traversed by ~~drill~~ the workings shall be furnished monthly to the Government.

The Operator shall provide such equipment, materials, supervision, labor, and technical services as may be required to perform ~~his~~ the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Operator shall perform all work in such a manner as to maintain in the vicinity of the project the quality of the environment which existed prior to start of the work. Materials such as waste rock, stockpiled ore, and water resulting from the project shall be accumulated or discharged in a safe manner so as not to degrade the quality of the adjacent land, air, and streams, and in compliance with all applicable state laws.

Description of the Work

The work shall consist of repairing and maintaining an access road to the San Juan mine, and extending the No. 2 drift, A tunnel level, in a northeasterly direction along the San Juan vein. The total of drift advance may approximate 250 feet.

2nd Para

Description of work

The total drift run ——..

The approximate location of the proposed drift extension is shown on Figure 2 entitled "San Juan mine, Matterhorn, Colorado," attached & made apart hereof.

Estimated Costs of the ~~Work~~ Project

Fixed Unit Costs

~~Drifting including cr~~

Drifting – crosscutting 1)

~~250~~ 251 feet at $87.00/foot — $21,837.00 ~~21,750.00~~

Long hole drilling

800 feet at $1.50/foot — 1,200.00

1 Supervisor, 3 months at

$1,500.00/month — 4,500.00

1 Outside Consultant

3 days at $125.00/day — 375.00

Perdiem, Outside Consultant

3 days at $25.00/day — 75.00

Transportation for Consultant

~~2,167~~ 2,042 miles at $0.12/mile — 245.00

Office and accounting expense

3 months at $50.00/month — 150.00

Payroll taxes, F.I.C.A., insurance

at 15% — 1,958.00

Total Fixed Unit Costs — $30,340.00

30 268

11.25
151
1775
1125
5875
1125
1794.75

Actual Costs

~~Category (4) Operating Equipment~~

~~Subcategory (a) = Rental~~

Category (1) Independent Contracts

Bulldozing [1]

30 hours at $27.50/hour $825.00

Category (7) Miscellaneous

Assaying, ~~150~~ 151 samples, (rounded) 1,775.00 ~~1,700.00~~

Gold, silver, copper at $8.50/sample

Lead at $3.25/sample

← Total Actual Costs $3,600.00 ~~2,587.00~~

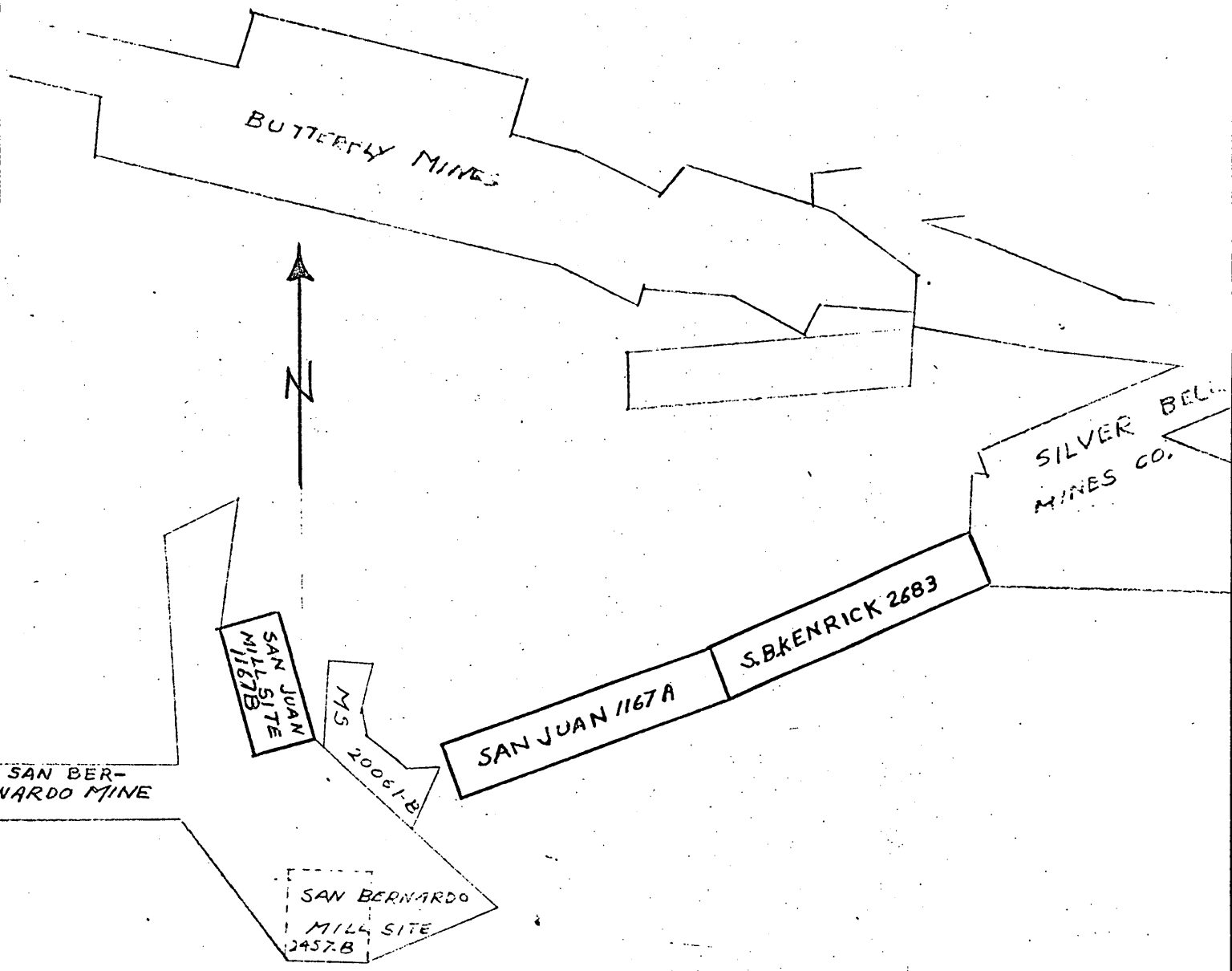
Total Estimated Cost of the Project $32,940.00 ~~32,835.00~~

Government participation at 75 percent $24,705.00

[1] Includes all costs whatsoever such as labor, equipment, materials and supplies. The Government retains no equity in any of the equipment or materials used.

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
DOCKET 6885



S.B. KENRICK & SAN JUAN
CLAIMS

SHOWING RELATIVE POSITIONS OF
NEIGHBOURING MINES

1" = 300' JULY 21-47

FIGURE 1

EXPLORATION CONTRACT
HAMILTON RESOURCES CORPORATION
OME-6885

ANNEX I

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EXPLORATION CONTRACT
HAMILTON RESOURCES CORPORATION
OME-6885

EXHIBIT A

The purpose of the project is to explore by drifting on the A Tunnel level on and along the steeply dipping San Juan vein for 300 feet in a northeastward direction for gold, silver, copper and lead ore bodies in "microgranogabbro"-adamellite intrusive rocks of the Ophir stock.

General Provisions

The drifts shall not be less than 6 by 8 feet in cross section and shall be timbered as necessary. Drift and raise sets shall be not less than 8- by 8-inch timber, or equivalent round timber.

The drift shall be run trackless using rubber-tired diesel powered equipment with adequate scrubbers and anti-pollution devices for safemining.

All significantly mineralized areas traversed by the drifts shall be sampled normal to the trends of the deposits at intervals not exceeding 5 feet, or by a representative bulk sample of each round broken.

All samples, from whatever source, shall be split as necessary and one split assayed. The Operator shall store one split of each sample in a suitable container properly labeled. Stored samples shall be made available for Government inspection and possible use, and may be disposed of only with prior Government approval.

All splits of samples assayed shall be analyzed for gold, silver, copper and lead.

True copies of assay certificates and maps or sketches showing the work completed, the location, width, and assay value of all samples assayed, and the geological formations and structures traversed by drill shall be furnished monthly to the Government.

The Operator shall provide such equipment, materials, supervision, labor, and technical services as may be required to perform his work in a satisfactory manner.

The location, direction, and extend of each work item shall be subject to Government approval.

Description of the Work

The work shall consist of extending the A tunnel, No. 2 drift from the present face an additional 300 feet on and along the San Juan vein as is projected from the B tunnel level, to further explore the San Juan Vein northeastward along its strike.

The approximate location of the proposed drift extension is shown on Figure 2 entitled "San Juan Mine, Matterhorn, Colorado."

Estimated costs are as follows:

(a)	Independent Contracts		
	Access road work - D7 bulldozer, 30 hrs. @ $27.50		$825.00
(b)	Personal Services		
	Supervision & engineering - 3 months @ $1,500.00/month	$4,500.00	
	2 miners - 3 months	$6,000.00	
	1 helper - 3 months @ $850.00/month	$2,550.00	
	1 outside consultant - 3 days @ $125.00	$375.00	
	Per diem/consultant - 3 days @ $25.00	$75.00	
	Transportation/consultant - 2160 miles @ 12¢/mile	$259.20	$13,759.20
(c)	Operating Materials & Supplies		
	Explosives, per foot - $7.00 (x 300')	$2,100.00	
	Pipe - 700' 3" airline @ $1.25/foot	$875.00	
	700' 1" water line @ .46/foot	$322.00	
	Ventube - 100' x 18" (flex.) @ $7.90/foot	$790.00	
	Galvanized vent pipe 650' x 18" @ $2.75	$1,787.50	
	Steel & bits, per foot - $3.30 (x 300')	$990.00	
	Small tools (est.)	$300.00	
			$7,164.50

Estimated Costs are as follows: (Continued):

(d) Operating Equipment

Compressor - 600 cfm electric, 3 months rental @ $850.00/month	$2,550.00	
Loader - diesel powered with scrubber, 3 months rental @ $1,000.00	$3,000.00	
Gardner-Denver jackleg drill - 3 months rental @ $300.00/month	$900.00	
Electric pump - 3 months rental @ $100.00	$300.00	
FWD pick-up 3 months rental rental @ $110.00	$330.00	
Mobilization & Demobilization	$300.00	
		$7,380.00

(e) Initial Rehabilitation & Repairs
250' of road (see (a) above)

(f) New Buildings, Fixtures, Installations
None

(g) Miscellaneous

(i) Pick-up truck

Gasoline - 300 gals. @ .50/gal	$150.00	
Oil - 15 gals. @ $3.00/gal.	$45.00	
Maintenance & service-3 months	$90.00	
Diesel loader		
Diesel fuel - 600 gals. @ .45/gal.	$270.00	
Oil - 25 gals. @ $3.00/gal.	$75.00	
Maintenance & service-3 months	$150.00	
		$780.00

(ii)

Assaying - 180 samples @ $8.50 (Au, Ag, Cu, Pb)	$2,115.00 ~~$1,530.00~~	
Office - Reporting & Accounting, 3 months @ $50.00/month	$150.00	
Payroll taxes, insurance, etc. $13,050.00 x 15%	$1,957.50	4,222.50 ~~$3,637.50~~

(iii) Services

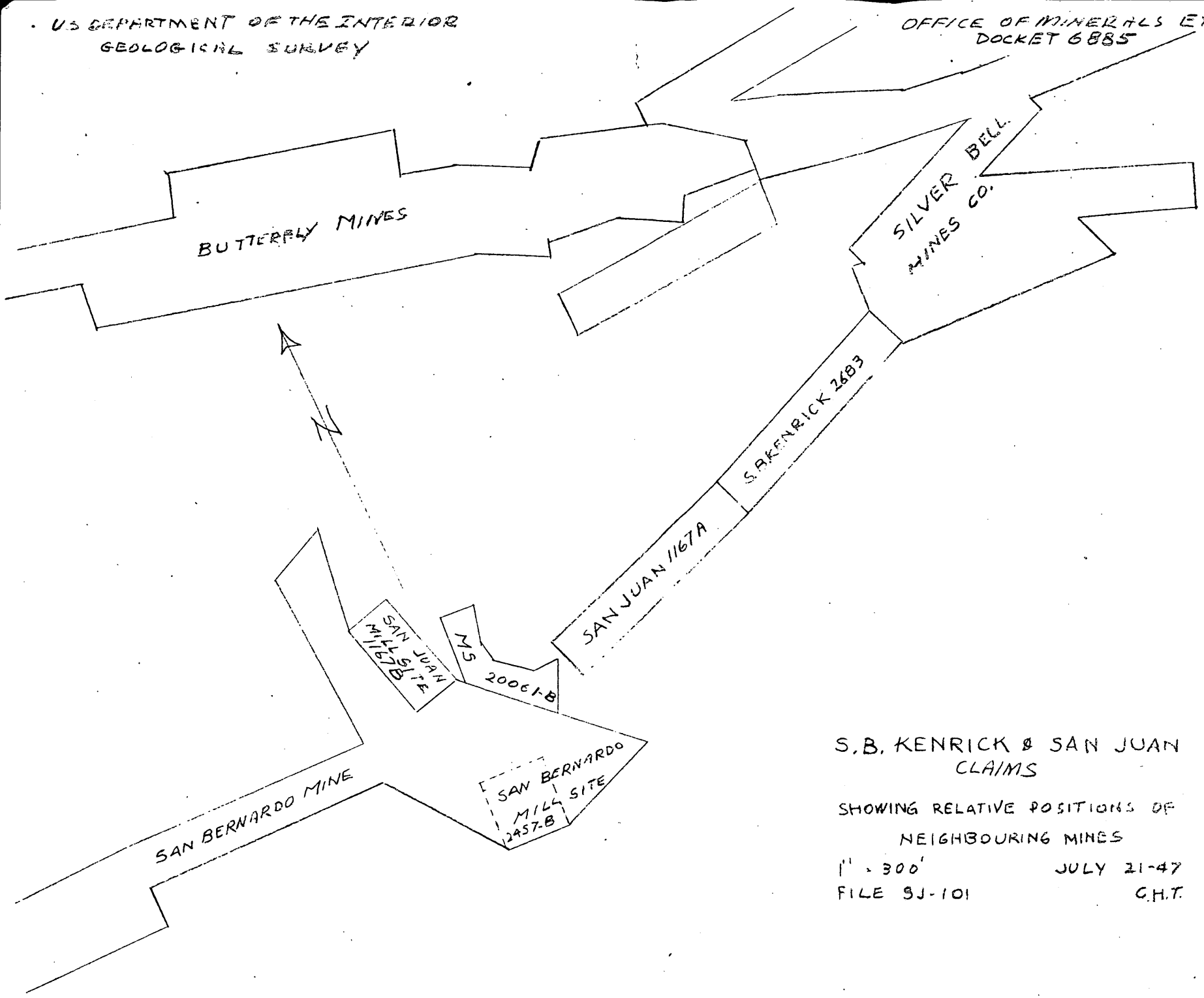
Electric power for compressor, blower, pump, 3 months @ $750.00 (est.)		$2,250.00
	TOTAL	~~$35,796.20~~ 36,381.20

1/ Include all costs whatsoever such as mobilization and demobilization, labor, equipment, materials, and supplies and services.

2/ The Government retains no equity in any of the equipment or materials used.

US DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
DOCKET 6885



S.B. KENRICK & SAN JUAN CLAIMS

SHOWING RELATIVE POSITIONS OF NEIGHBOURING MINES

1" = 300' JULY 21-47

FILE SJ-101 C.H.T.

FIGURE 1

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
DOCKET 6885

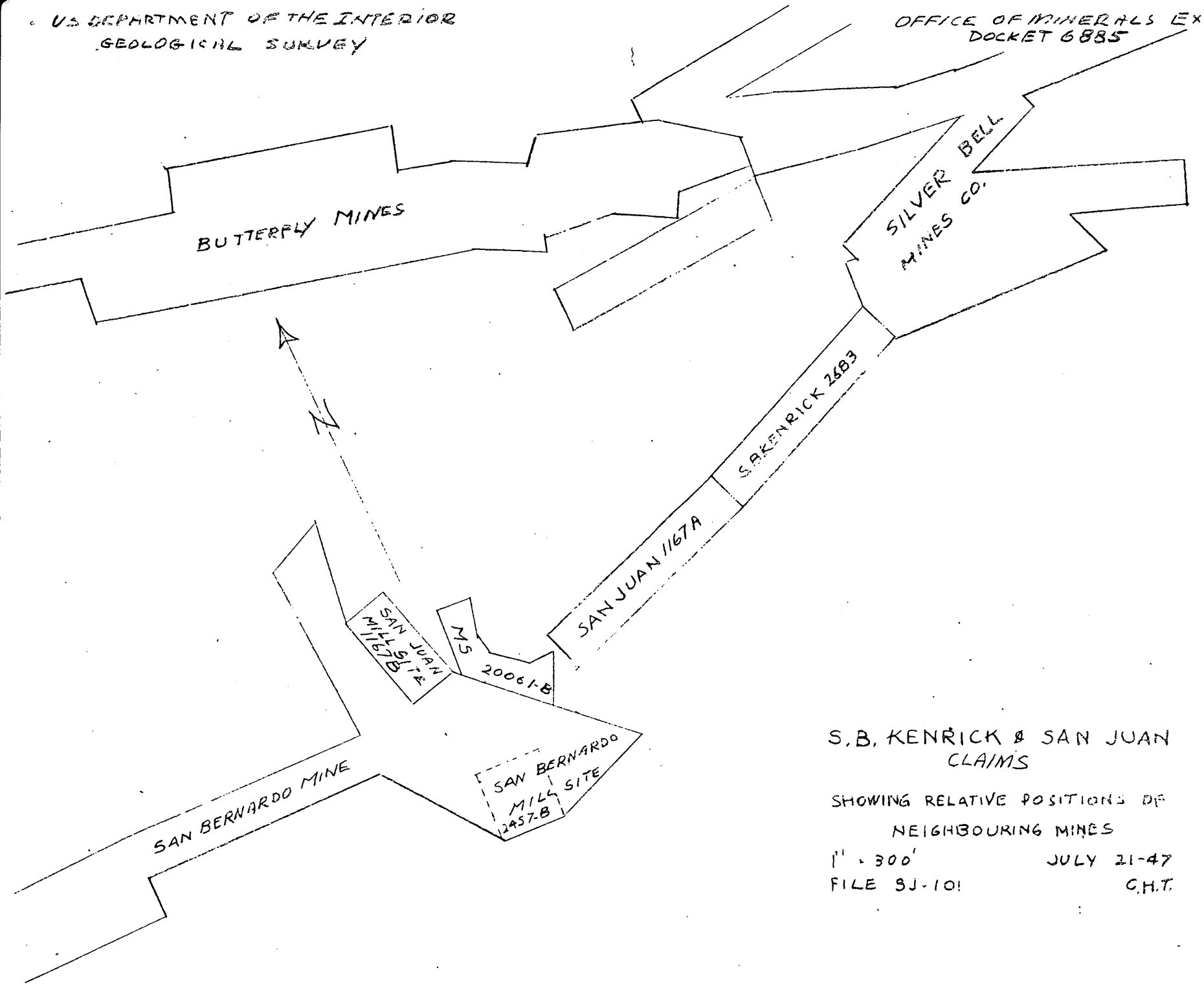


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FIGURE 1

US DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
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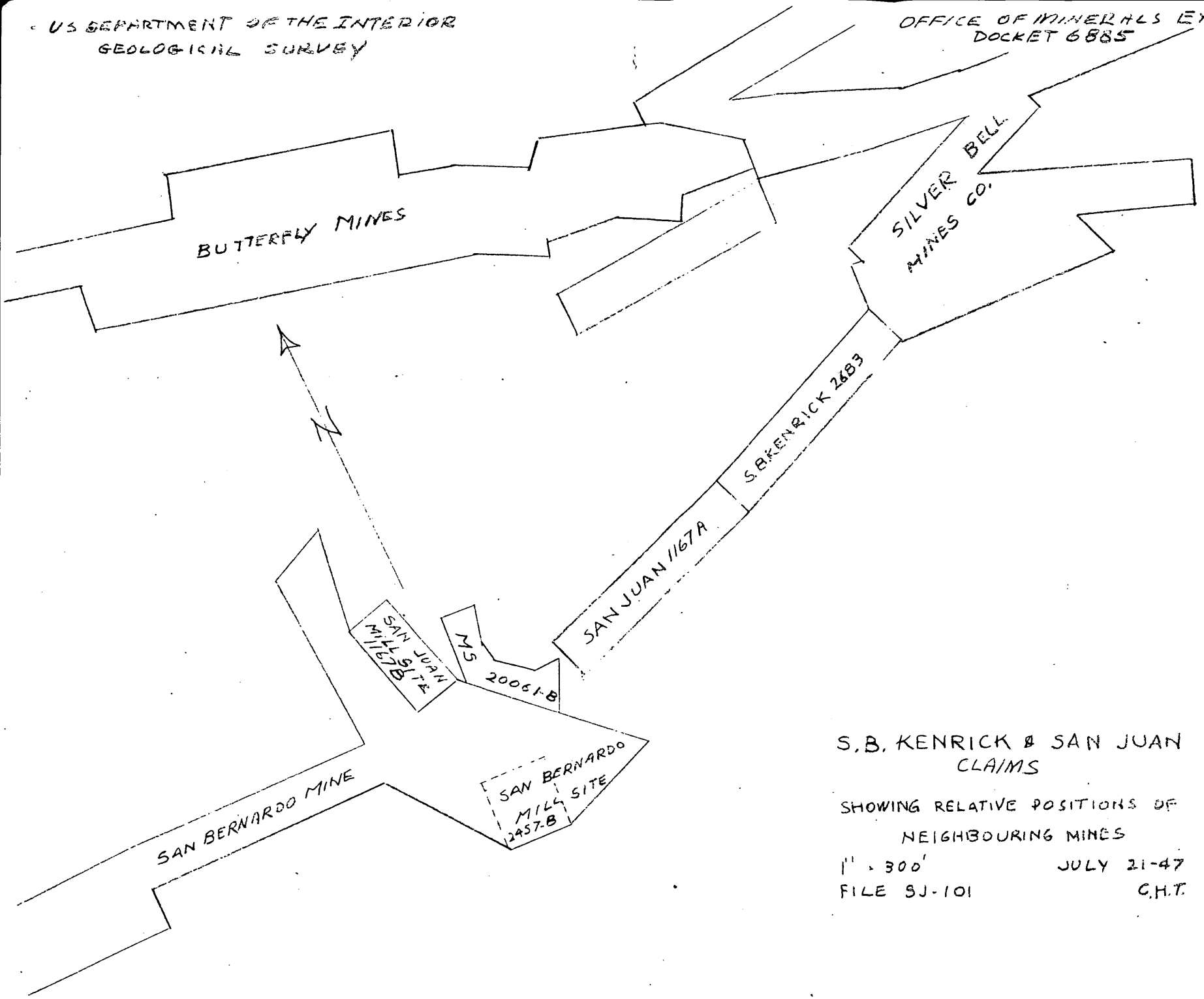

S.B. KENRICK & SAN JUAN
CLAIMS

SHOWING RELATIVE POSITIONS OF
NEIGHBOURING MINES

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FIGURE 1

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
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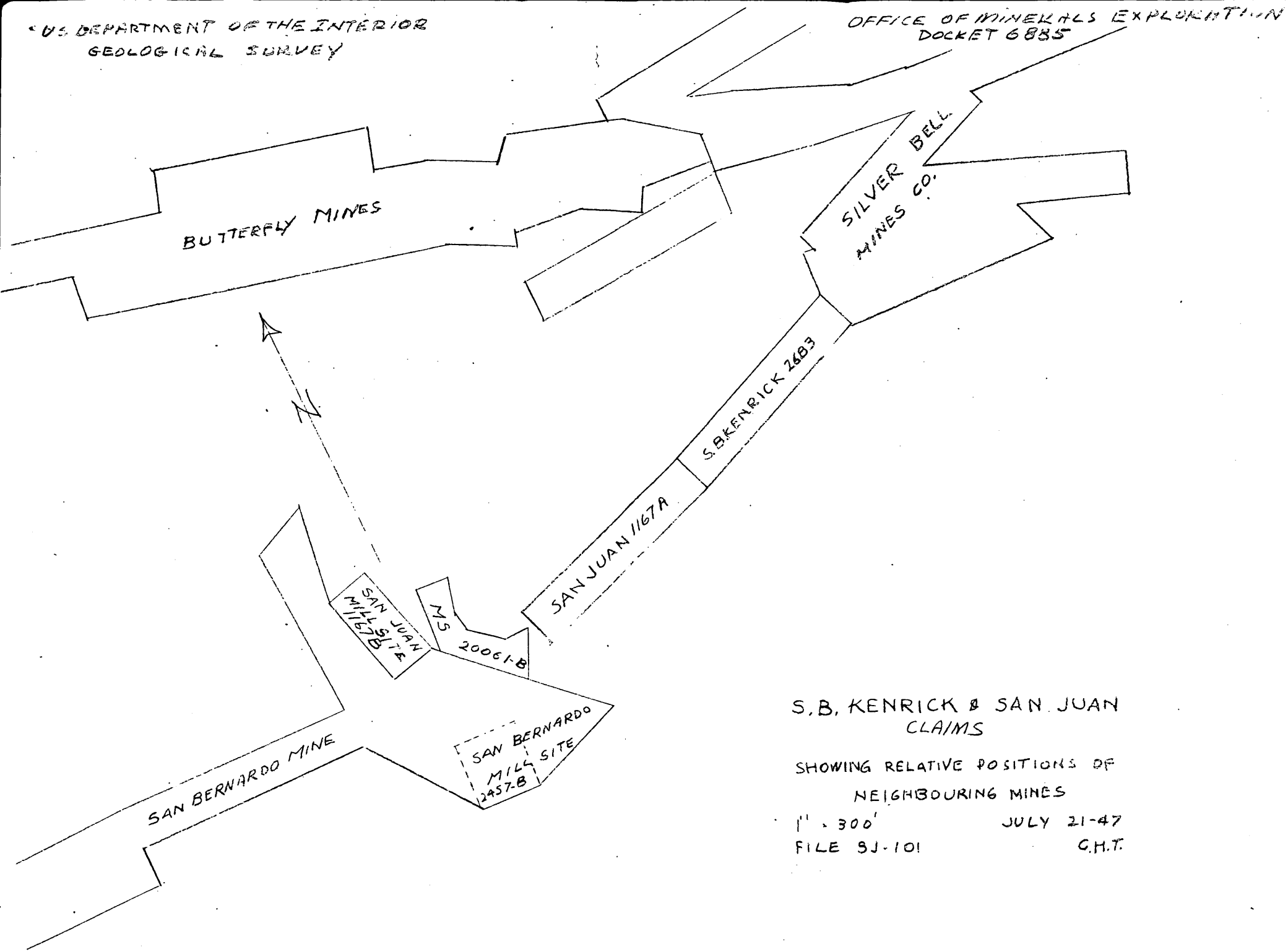


S.B. KENRICK & SAN JUAN
CLAIMS

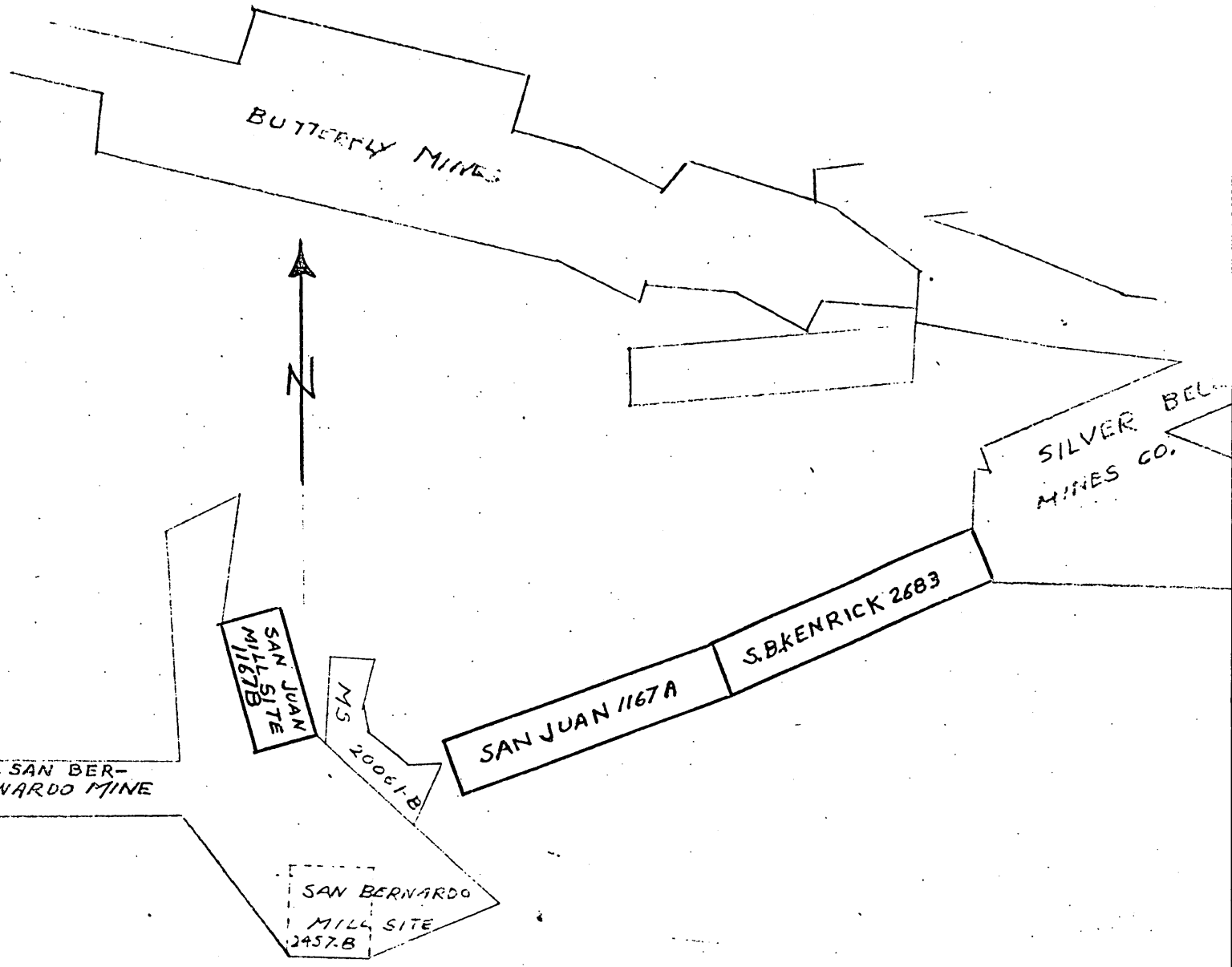
SHOWING RELATIVE POSITIONS OF
NEIGHBOURING MINES

1" = 300' JULY 21-47
FILE SJ-101 C.H.T.

FIGURE I

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
DOCKET 6885



S.B. KENRICK & SAN JUAN
CLAIMS

SHOWING RELATIVE POSITIONS OF
NEIGHBOURING MINES

1" = 300' JULY 21-47

on at → The Operator shall perform all work - - -

Description of the Work

use attached rewrite

(A tunnel level) The work shall consist of extending the ~~A tunnel~~ No. 2 drift from the present face an additional 300 feet on and along the San Juan Vein ~~as is projected from the B tunnel level, to further explore the San Juan Vein northeastward along its strike.~~ in a northeasterly direction.

The approximate location of the proposed drift extension is shown on Figure 2 entitled "San Juan Mine, Matterhorn, Colorado."

Estimated Costs of the ~~Work~~ Project

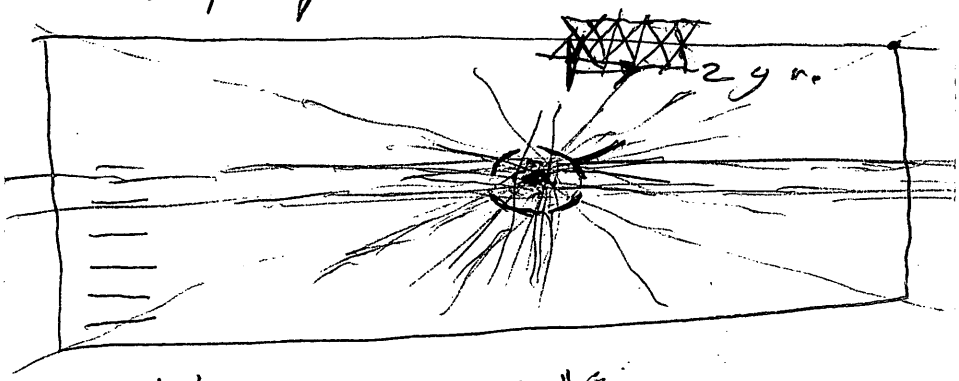
~~Estimated costs are as follows:~~

(a)	Independent Contracts		
	Access road work - D7 bulldozer, 30 hrs. @ $27.50		$825.00
(b)	Personal Services		
	Supervision & engineering - 3 months @ $1,500.00/month	$4,500.00	
	2 miners - 3 months	$6,000.00	
	1 helper - 3 months @ $850.00/month	$2,550.00	
	1 outside consultant - 3 days @ $125.00	$375.00	
	Per diem/consultant - 3 days @ $25.00	$75.00	
	Transportation/consultant - 2160 miles @ 12¢/mile	$259.20	$13,759.20
(c)	Operating Materials & Supplies		
	Explosives, per foot - $7.00 (x 300')	$2,100.00	
	Pipe - 700' 3" airline @ $1.25/foot	$875.00	
	700' 1" water line @ .46/foot	$322.00	
	Ventube - 100' x 18" (flex.) @ $7.90/foot	$790.00	
	Galvanized vent pipe 650' x 18" @ $2.75	$1,787.50	
	Steel & bits, per foot - $3.30 (x 300')	$990.00	
	Small tools (est.)	$300.00	
			$7,164.50

5/31/74

Pre-mature —

Company's



Metallurgy —
Fluor.
Barite.

Niobium
Rare earths
Thorium.

Basic geology —
Brown = Snyder. 1955 1956
1 hole — 3000
intersected breccia
400, 500 ft.
Hi Thorium, R.E.

Ron Wellden.
EM liner across deposit both
~~Magnetics~~ ~~Too results~~ survey run
(Radiation. U.S.G.S.)
No I.P. survey run
No Gravity survey run

Need time —
Not too interested in having
one man stuck on project.

500 samples — 20 500.00
20,000.00

2. Election of Association Officers: Attached is a ballot for the Election of the officers who will serve the Alumni Association in 1974-75. As outlined in the Constitution, the slate will be elected at the May Luncheon, and will take over for the Fall Luncheon to be scheduled in September. We are indebted to Major General Ted Antonelli, USA, and his committee for selecting the officers.

3. Graduation exercises for the 1973-74 Resident Class will be held Thursday, 6 June in the College Auditorium. Dr. M. Richard Rose, Deputy Assistant Secretary of Defense (Education) will deliver the graduation address.

4. The ICAF Tigers came out on top again in their annual ICAF-NWC sports contests. ICAF won in volleyball, squash, tennis, bowling and golf. Losing efforts were in softball, raquet-ball and handball.

5. International field studies began on 9 May. The twelve student groups are visiting a total of 29 countries throughout the world.

6. A special National Security Seminar is to be held at the College 16-27 September 1974 and is open to all ICAF graduates. In addition, regular seminars for the 1974-75 academic year will be held in accordance with the following schedule:

Missoula, Montana	7-18 Oct 74
Charlotte, North Carolina	4-15 Nov 74
Lafayette, Louisiana	6-17 Jan 75
Montgomery, Alabama	3-14 Feb 75
Salt Lake City, Utah	10-21 Mar 75
Vallejo, California	14-25 Apr 75
Newburgh, New York	12-23 May 75

During the first week of December, 1974, the Seminar Team will present an abbreviated version of the National Security Seminar program to the Marine Amphibious Warfare School, Quantico, Virginia. Although individual presentations have been made to groups at professional military schools, this is the first coordinated program at one of these institutions.

Three seminars conducted during the 1973-1974 school year were recognized by local colleges and universities. Attendees were allowed to register with the schools and received up to three semester hours college credit for their participation.

7. The College bookstore will again be offering ICAF souvenirs, including the new ICAF tie, for sale at the 31 May Luncheon. All members are invited to stop by the store if they are interested in an item not offered at the luncheon. Special orders are welcomed.

Attachments:
as stated

JOHN H. PRICE, JR.
Lieutenant Colonel, USAF
Secretary/Treasurer
ICAF Association

REPLY NOT REQUIRED IF SLATE APPROVED

8 May 1974

BALLOT

SLATE OF OFFICERS PROPOSED BY NOMINATING COMMITTEE
FOR ASSOCIATION OF THE INDUSTRIAL COLLEGE
OF THE ARMED FORCES 1974-75

President:	Major General Peter G. Olenchuk, USA Director, Materiel Acquisition Office of the Deputy Chief of Staff for Logistics
First Vice President:	Rear Admiral James E. Forrest, USN Auditor General of the Navy
Second Vice President:	Colonel David L. Belden, USAF Chief of the Procurement Plans and Management Group, Headquarters USAF Systems and Logistics
Secretary/Treasurer:	Lieutenant Colonel John H. Price, USAF Public Affairs Officer, Industrial College of the Armed Forces

NOTE: The Secretary/Treasurer of the Association is appointed by the Commandant of the Industrial College of the Armed Forces.

I Propose Changes to the Foregoing Slate as Follows:

President:

First Vice President:

Second Vice President:

_____
Name

_____
Address

_____
Zip Code

Class of _____

REPLY NOT REQUIRED IF
SLATE APPROVED

$ 32,933 T.V.

Actual contr.

Bulldozing

30 hrs @ $27.50 = $825

Assaying —

Au Ag Cu.

150 samples @ 8.50 $1,275

Au, Ag, Cu, Pb, Pb - 487.50 $1,762.50

3.25

6.50

11.75

2587.50

30,268

2587.50

32,855.

Equipment Unit Contr 24,641.25

Operators 8,213.75

32,855

Marchi - Manetta

portable mill

two mark

MME Form 50
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. GEOLOGICAL SURVEY

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME 6885	Silver - Gold		San Miguel	Colorado

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, a Colorado corporation

whose mailing address is P.O. Box 3224 Hi Mar Station, Boulder, Colorado 80303
hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 12 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $32,940.00. The Government will contribute ~~50~~ 75 percent of the allowable costs as they are incurred, in a total sum not in excess of $24,705.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest at the rate of _____ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's right in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession thereto (fee, lease, or otherwise), and that such right, title, or interest is subject to [illegible] claims, liens, or encumbrances:

See Annex I

(b) The Subordination [illegible] lien, or encumbrance listed above and (if the Operator does not [illegible] of any holder of the legal title of the land lessor, seller, [illegible]

See Annex I

CHARLES H. TURNER AND ANNE Z. TURNER d/b/a

EXPLORATION CONTRACT
HAMILTON RESOURCES CORPORATION
OME-6885

ANNEX I

The land, including all rights pertaining thereto, referred to in Article 2 of the contract consists of two (2) patented lode mining claims and a mill site in Sections 4 and 5, T. 41 N., R. 9 W., NMPM, Trout Lake Mining District, San Miguel County, Colorado. These claims are shown in figure 1, titled "S. B. Kenrick and San Juan claims" which is attached and made a part hereof.

The patented lode mining claims are identified as:

Name	U. S. Survey No.
San Juan	1167A
S. B. Kenrick	2683
San Juan Millsite	1167B

The Operator, ~~Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation,~~ is in possession of ~~all of~~ these claims by virtue of ~~having been in possession of them for many years as a family inheritance since the early 1900s.~~ An Indenture made April 23, 1973, between Charles H. Turner and Anne Z. Turner, and Hamilton Resources Corporation, a Colorado Corporation, ~~placed the above patented claims and mill site in the corporation for business and accounting purposes. The instrument is enclosed~~.

Insert CHARLES --- TURNER ANNE TURNER (see ANNEX)

EXPLORATION CONTRACT
HAMILTON RESOURCES CORPORATION
OME-6885

EXHIBIT A

The purpose of the project is to explore the San Juan mine for gold, silver, copper, and lead ore bodies by drifting northeastward on the San Juan vein in the No. 2 drift, A Tunnel level, in igneous rocks associated with the Ophir stock.

General Provisions

A bulldozer no smaller than the equivalent of a Caterpillar D-7 shall be used to prepare access roads, repair and maintain and ~~drill sites.~~

The drifts (to be advanced) shall not be less than 6 by 8 feet in cross section and shall be timbered as necessary. Drift ~~and raise~~ sets shall be not less than 8- by 8-inch timber, or equivalent round timber. Roof bolts may be used in lieu of timber. Any crosscutting necessary to recover faulted segments of the vein may be done at the expense of the allowance for equivalent drift advance. ~~The drift shall be run trackless using~~ Rubber-tired, diesel-powered equipment with adequate scrubbers and anti-pollution devices ~~for safe mining~~ shall be used for transportation in the drift.

All significantly mineralized areas traversed by the drifts shall be sampled normal to the trends of the deposits at intervals not exceeding 5 feet. In addition, ~~or by~~ a representative bulk sample of each round broken may be taken.

All samples, from whatever source, shall be split as necessary and one split assayed. The Operator shall store one split of each sample in a suitable con[illegible] properly labeled. Stored samples shall be made available for [illegible] inspection and possible use, and may be disposed of only with prior Government approval.

All splits [illegible] gold, silver, copper and le[illegible]

True copies [illegible] showing the work [illegible] of all samples as[illegible] traversed by ~~drill~~ [illegible] the w[illegible]

The Operator shall provide such equipment, materials, supervision, labor, and technical services as may be required to perform ~~his~~ the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Operator shall perform all work in such a manner as to maintain in the vicinity of the project the quality of the environment which existed prior to start of the work. Materials such as waste rock, stockpiled ore, and water resulting from the project shall be accumulated or discharged in a safe manner so as not to degrade the quality of the adjacent land, air, and streams.

Description of the Work

The work shall consist of repairing and maintaining an access road to the San Juan mine, and extending the No. 2 drift, A tunnel level, in a northeasterly direction along the San Juan vein. The total of drift advance may approximate 250 feet.

Estimated Costs of the ~~Mine~~ Project

Fixed Unit Costs

~~Drifting including cr~~

Drifting — crosscutting 1)	
~~250~~ 251 feet at $87.00/foot	$21,837.00 ~~21,750.00~~
Long hole drilling	
800 feet at $1.50/foot	1,200.00
1 supervisor, 3 months at $1,500.00/month	4,500.00
1 Outside Consultant 3 days at $125.00/day	375.00
Per diem, Outside Consultant 3 days at $25.00/day	75.00
Transportation for Consultant ~~2,167~~ 2,042 miles at $0.12/mile	245.00
Office and accounting expense 3 months at $50.00/month	150.00
Payroll taxes, F.I.C.A., insurance at 15%	1,958.00
Total Fixed Unit Costs	$30,340.00

Actual Costs

~~Category (4) Operating Equipment~~

~~Subcategory (a) — Rental~~

Category (1) Independent Contracts

Bulldozing [1]

30 hours at $27.50/hour $825.00

Category (7) Miscellaneous

Assaying, ~~150~~ 151 samples, (rounded) 1,775.00 ~~1,760.00~~

Gold, silver, copper at $8.50/sample

Lead at $3.25/sample

← Total Actual Costs $2,600.00 ~~2,585.00~~

Total Estimated Cost of the Project $32,940.00 ~~32,925.00~~

Government participation at 75 percent $24,705.00

[1] Includes all costs whatsoever such as labor, equipment, materials and supplies. The Government retains no equity in any of the equipment or materials used.

Exp:

Direct Cost

1. Drafting 250 ft at $87/ft

= $21,750

2 Longhole Drilling

800 ft at $1.50/ft

= $1,200

3. Supervision

3 mos. at 1,500/mo

= $4,500

4. Outside consultant

3 da @ $125

= $375

5 Per diem $25/day

= $75

6. Trans for Consultation ✓
2,167 miles at $0.12
$260

7. Office Rent & Utility
3 mo. @ $50 = 150.

8. Payroll Taxes 15%
of 13,050 = $1,958

Total Direct Cost = $20,268

Extra copy

MME Form 51
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME-6884	Gold-Silver	2311	Lander	Nevada

It is agreed AUG 3 1973 (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Mardon, Inc., a New Mexico corporation

whose mailing address is 4290 Jasper Lane, Reno, Nevada 89502, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 6 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $20,000.00. The Government will contribute ~~XX~~ 75 percent of the total fixed unit costs of the work performed, not in excess of $15,000.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of _____ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a)The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

See Annex I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

See Annex I

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. Nondiscrimination in Employment.--The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961, as amended and supplemented, are attached hereto as Exhibit B-1 and are hereby incorporated in and made a part of this contract.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. [illegible]) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with those provisions and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

_____

_____

_____

_____

Executed in quadruplicate the day and year first above written.

MARDON, INC.
(Operator)

By _____

Title _____

THE UNITED STATES OF AMERICA

By _____
U.S. Geological Survey

I, _____ (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that _____ (Name), who signed this contract on behalf of the Operator, was then _____ (Title) of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____

[CORPORATE SEAL]

True copies of a EXPLORATION CONTRACT [illegible] sketches showing the
MARDON, INC.
[illegible] employed; the location, with OME-6884 [illegible] of all samples assayed;
and the geological formations and EXHIBIT A [illegible] by the workings shall
be furnished. The purpose of the project is to explore by crosscutting and drifting for gold and silver-bearing ore shoots in or along the Maren [illegible] quartz vein which cuts rocks in the Havallah sequence of Pennsylvanian and Permian age.

The location with General Provisions [illegible] work item shall be [illegible] to Drifts and crosscuts shall be not less than 5 by 7 feet in cross section and shall be timbered as necessary. Timber sets shall be not less than 8-by-8 inch timber or equivalent round timber. [illegible] Mine rails shall be not less than 16-pound size, air lines not less than 2-inch diameter, water lines not less than 1-inch diameter, and vent lines not less than 14-inch diameter. [illegible] All significantly mineralized areas traversed by the crosscut and drifts shall be sampled normal to the trends of the deposits at intervals not exceeding 5 feet. In addition, a representative bulk sample may be taken of each round broken. [illegible] Significantly mineralized samples, from whatever source, shall be split as necessary and one split assayed. The Operator shall store one split of each sample in a suitable container properly labeled as to source and location. Stored samples shall be made available for Government inspection and possible use, and may be disposed of only with prior Government approval.

All splits of samples assayed shall be analyzed for gold and silver.

True copies of assay certificates and maps or sketches showing the work completed; the location, width, and assay values of all samples assayed; and the geological formations and structures traversed by the workings shall be furnished monthly to the Government.

The Operators shall provide such equipment, materials, supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval confirmed in writing.

The Operator shall perform all work in such a manner as to maintain in the vicinity of the project the quality of the environment which existed prior to start of the work. Materials such as waste rock, stockpiled ore, and water resulting from the project shall be accumulated or discharged in a safe manner so as not to degrade the quality of the adjacent land, air, and streams.

Description of the Work

The work shall consist of extending the existing crosscut in a westerly direction to the Maren vein from the end of the crosscut on the date the contract is signed by the Operator, and drifting on the Maren vein to determine the width, grade, and continuity of mineralized material. The total of crosscutting and drifting may approximate 500 feet.

The approximate location of the proposed work is shown on Figure 1.

Estimated Costs of the Work

Fixed Unit costs 1/ 2/

crosscutting and drifting 500 feet at $38.00/foot	$19,000.00	
Timbering crosscuts and drifts 80 feet at $10.00/foot	800.00	
Assaying for gold and silver 40 samples at $5.00/sample	200.00	
Total Estimated Cost of the Project		$20,000.00
Government Participation at 75 Percent		$15,000.00

1/ Includes all costs whatsoever such as labor, equipment, materials and supplies, supervision, payroll taxes and insurance, office expense, report preparation and other services.

2/ The Government retains no equity in any of the equipment or materials used.

EXPLORATION CONTRACT
MARDON, INC.
OME-6884

ANNEX I

The land, including all rights thereto, referred to in Article 2 of the contract consists of six (6) unpatented mining claims in section 10, T. 20N., R. 40E., MDBM, New Pass Mining District, Lander County, Nevada. These claims are shown on Figure 1, entitled "Map showing Maren Lode Group of claims and proposed exploration, New Pass Mining District, Lander County, Nevada," which is attached and made part hereof.

The unpatented lode mining claims are identified in the official records of Lander County at Fallon, Nevada, as:

Name	Book	Page
Maren No. 1	112	89
Maren No. 2	112	90
Maren No. 3	112	91
Maren No. 4	112	92
Maren No. 5	112	93
Maren No. 6	112	94

The Operator is in possession of these claims by virtue of a Lease of Mining Claims between Don Hargrove, Keith Vermilyea, Dennis Stacey, and Jack Hargrove, Lessors and owners, and the Operator dated January 16, 1973.

A Lien and Subordination Agreements executed by the owners and dated January 16, 1973, is attached and made part hereof.

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

IN REPLY REFER TO: Office of Minerals Exploration
Mail Stop 953

June 16, 1978

Re: OME-6885 (Silver-Gold)
Charles H. Turner and
Anne Z. Turner
d/b/a Hamilton Resources
Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Mr. Charles H. Turner and
Ms. Anne Z. Turner d/b/a
Hamilton Resources Corporation
P.O. Box 3224 Hi Mar Station
Boulder, Colorado 80303

Dear Mr. and Ms. Turner:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since August 19, 1977, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☒

2. Since August 19, 1977, has there been any production from the land subject to the contract? Yes ☐ No ☒

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings *(see* , has any production been transported through *of contract)*? Yes ☐ No ☒

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Charles H. Turner	*Title* President, Hamilton Resources Corp.
Address Box 3224 Boulder, CO 80307	*Date* June 23, 1978

rec'd 9/2/77

United States Department of the Interior

GEOLOGICAL SURVEY
Box 25046
Denver Federal Center
Denver, Colorado 80225
Stop 932

IN REPLY REFER TO:

August 29, 1977

Mr. Charles H. Turner and
Ms. Anne Z. Turner d/b/a
Hamilton Resources Corporation
P. O. Box 3224 Hi Mar Station
Boulder, Colorado 80303

Re: OME 6885
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Turner:

Enclosed is a Certification of Possible Production under an Exploration Contract Pursuant to Article 7 of the referenced contract, as amended.

The Government based the certification on the reserves discovered as a result of the amount of exploration work completed, as well as upon the fact that a neighboring mill may be operated if ore can be mined from the San Juan Mine and several adjoining properties. This would give the Government an opportunity to receive royalty on any ore produced at the San Juan Mine.

Should you produce any ore from the San Juan Mine between June 17, 1974, to June 17, 1984, please follow the instructions given in the accompanying Certification of Possible Production.

It has been a pleasure to have been of assistance to you in the exploration project.

Sincerely yours,

J. William Hasler

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

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

Copies of Certification & Hasler memo sent to Br. of Fin. Mgmt.

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

August 19, 1977

Memorandum

To: The Record

From: Chief, Office of Minerals Exploration

Subject: Recommendation for certifying the subject contract.
OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

The docket file provided to the Auditor for preparing the Cost Review of this contract included a memorandum dated July 1, 1977, from the Field Officer, OME Region III, to the Chief, OME, recommending not to issue a certification of possible production for this contract. While the audit was in preparation, the Field Officer learned of the possibility that a neighboring mill may be operated if ore could be obtained from the San Juan mine and several adjoining properties. If so, the Government would have an opportunity to receive royalty on any ore produced at the San Juan mine. The Field Officer, therefore, recommended on July 21, 1977, that the Government's rights to royalty on production be continued under authority of Item 3(d) in Amendment No. 2 to the Contract.

Because of the possiblity of production of ore from the San Juan mine, and the payment of royalty to the Government, a Certification of Possible Production will be issued pursuant to Article 7(a) of the Contract rather than to Item 3(d) in Amendment No. 2 to the Contract.

Harold Kirkemo

Harold Kirkemo

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

August 19, 1977

Memorandum

To: Field Officer, Region III
Office of Minerals Exploration

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed are the Field Officer's and Operator's copies of the Report of Cost Review issued in August 1977, on the subject contract, Memorandum to The Record, and a Certification of Possible Production.

Please review these and if you concur in the facts in the audit report, and if you still believe that the Certification should be issued, copies of both documents should be sent to the Operator. Please send us two copies of your transmittal letter.

Harold Kirkemo

Harold Kirkemo

Enclosures

P.S. If you believe that the Operator would be concerned about your conflicting recommendations regarding certification, a copy of the enclosed Memorandum to The Record could accompany the Operator's copy of the Report of Cost Review.

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

August 12, 1977

Memorandum

To: Field Officer, Region III
Office of Minerals Exploration

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed are the Field Officer's and Operator's copies of the Report of Cost Review issued in Aug. 1977 on the subject contract.

Please review the report and if you concur in the facts, forward a copy to the Operator and send us two copies of the transmittal letter.

Harold Kirkemo

Enclosures

HK 7-7/99

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

July 21, 1977

Memorandum

To: Chief, OME

From: Field Officer Region III

Subject: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is a final field report on the subject property by J. William Hasler. A cost review is recommended. It is also recommended that the royalty obligations due from any production remain in effect as stipulated in Amendment No. 2 Item 3.(d), and that the operator be so notified.

The operator plans some sort of a joint operation involving several adjoining properties in order to supply a local mill with ore. Should this be accomplished the government's interest should be protected and royalty payments should be made.

Final Field Team Rpt.

J. William Hasler

J. William Hasler
Field Officer Region III

FINAL FIELD REPORT - OME EXPLORATION PROJECT

By J. William Hasler

July 19, 1977

1. OME 6885 (Silver-Gold)
   Charles H. Turner and Anne Z. Turner
   d/b/a Hamilton Resources Corporation
   San Juan Mine
   San Miguel County, Colorado
   Contract 2313

   Operator: Charles H. Turner and Anne Z. Turner
   d/b/a Hamilton Resources Corporation
   P.O. Box 3224 Himar Station
   Boulder, Colorado 80303

   Property: The land, including all rights pertaining thereto, referred to in Article 2 of the contract consists of two (2) patented lode mining claims and a mill site in Sections 4 and 5, T. 41 N., R. 9 W., NMPM, Trout Lake Mining District, San Miguel County, Colorado. These claims are shown in figure 1, titled "S. B. Kenrick and San Juan Claims" which is attached and made a part hereof.

   The mining claims are identified as:

Name	U.S. Survey No.
San Juan	1167A
S. B. Kenrick	2683
San Juan Millsite	1167B

   Ownership: The Operator is in possession of these claims by virtue of an Indenture dated April 23, 1973, between Charles H. Turner and Anne Z. Turner, and Hamilton Resources Corporation, a Colorado corporation.

2. Purpose of Project: The purpose of the project is to explore the San Juan Mine for gold, silver, copper and lead ore bodies by drifting northeastward on the San Juan vein in the No. 2 drift, A tunnel level, in igneous rocks associated with the Ophir stock.

3. Contract: Date June 17, 1974 for a period of 12 months. Original contract amount $32,940.00. Government participation 75 percent $24,705.00.

Amendment No. 1

It is agreed this 21st day of May, 1975, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government", and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator", that Exploration Contract 2313 (OME-6885) dated June 17, 1974, is amended effective May 30, 1975, as follows:

1. The time fixed by Article 1(a) of the Contract for completion of the work is extended from twelve (12) to eighteen (18) months from the date of the Contract, or until December 17, 1975.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Amendment No. 2

It is agreed this 18th day of December, 1975, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government", and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator", that Exploration Contract 2313 (OME-6885) dated June 17, 1974, as amended effective November 1, 1975, as follows:

1. (a) Work under the Contract may be suspended during the period beginning November 1, 1975, and ending no later than June 1, 1976.

(b) The Government shall not contribute to any costs incurred during the period of suspension.

(c) The Government shall not contribute to or be liable for any costs of rehabilitation or repair or any other costs which would not have occurred if there had been no suspension of work, or which may arise out of this suspension.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

Amendment No. 2--Continued

2. The date fixed by Article 1(a) of the Contract as amended by Amendment No. 1 for completion of the work is extended from eighteen (18) months to twenty-seven (27) months from the date of the Contract, or until September 17, 1976.

3. It is the essence of this amendment that the work shall be resumed on or before the termination of the period herein fixed for suspension; and if not so resumed, the following provisions shall thereupon become effective:

(a) The Contract and all obligations of the parties thereunder except as hereinafter otherwise provided, shall be and are hereby terminated effective November 1, 1975, if work on the Contract has not been recommenced on or before June 1, 1976.

(b) The Government will contribute only to allowable costs incurred prior to the date set forth in 3(a) above.

(d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty provided for in the Contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the Contract as amended herein as if a certification of possible production had been made, such certification of possible production, percentage royalty and liens to secure payment thereof, reports (including the preservation of Operator's record), accounts, audits, and the right to recover any overpayments are hereby preserved.

(e) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the Contract, except as provided for in this Amendment No. 2.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Except as herein amended, Exploration Contract 2313 (OME-6885), dated June 17, 1974, shall remain in full force and effect.

Amendment No. 3

It is agreed this 21st day of September, 1976, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government," and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator," that Exploration Contract 2313 (OME-6885) dated June 17, 1974, is amended effective September 17, 1976, as follows:

Amendment No. 3--Continued

1. The time fixed by Article 1(a) of the Contract as amended by Amendment No. 2 for completion of the work is extended from twenty-seven (27) to thirty-three (33) months from the date of the Contract, or until March 17, 1977.

2. The maximum period for payment of royalty set forth in Article 7(b) of the Contract, and for the lien to secure payment thereof set forth in Article 7(e) of the Contract is extended from ten (10) to twelve (12) years from the date of the Contract, or until June 17, 1986.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Except as herein amended, Exploration Contract 2313 (OME-6885), dated June 17, 1974, shall remain in full force and effect.

4. Project Work: Started July 3, 1974, terminated March 17, 1977 under provisions of the Contract as amended.

Cost Items	Authorized Rate			Completed	
Fixed Unit Costs	Unit	Rate	Amount	Units	Amount
Drifting - crosscutting[1/]	250 ft	$ 87.00/ft	$21,837.00	163 ft	$14,181.00
Long hole drilling	800 ft	1.50/ft	1,200.00	--	--
1 Supervisor	3 mo	1,500.00/mo	4,500.00	3 mo	4,500.00
1 Outside Consultant	3 days	125.00/day	375.00	1 day	125.00
Per diem, Outside Consultant	3 days	25.00/day	75.00	--	--
Transportation for Consultant	2,042 miles	.12/mi	245.00	210 mi	25.20
Office and accounting expense	3 mo	50.00/mo	150.00	3 mo	150.00
Payroll Taxes, F.I.C.A. insurance @	15%		1,958.00		1,561.44
Total Fixed Unit Costs			$30,340.00		$20,542.64

1/ Includes all costs whatsoever such as labor, equipment, materials and supplies.

Actual Costs

Category (1) Independent contracts					
Bulldozing[1/]	30 hrs	$ 27.50/hr	$ 825.00	30 hrs	$ 825.00
Category (7) Miscellaneous					
Assaying 151 samples (rounded)			1,775.00	26 samples	305.50
Gold, silver, copper	8.50/s				
Lead	3.25/s				
Total Actual Costs			$ 2,600.00		$ 1,130.50
Total Estimated Costs of the Project			$32,940.00	Total Cost	$21,673.14
Government Participation	75%		$24,705.00	Gov't Participation	$16,254.86

1/ Includes all costs whatsoever such as labor, equipment, materials and supplies. The government retains no equity in any of the equipment or materials used.

Efficiency of Operation

The project began July 3, 1974.

July voucher - Bulldozed access road to mine portal - 30 hrs required.

Completed road work; hauled ballast for road drainage and grading completed, but work was impeded by frequent heavy rains.

December 1974

1. Portal supporting timbers stolen requiring rehabilitation and re-timbering portal.

2. Compliance with new Colorado State Bureau of Mines safety regulation concerning storage of explosives required extensive new work.

3. Adequate and experienced manpower was in short supply throughout summer and fall. Despite several winter storms installation of diesel power plant, pipe lines, vent tubing was completed and drifting on the San Juan vein was begun.

January 1975: Thirty-one feet of drifting was completed. The work was hampered by the supply of unreliable labor, caving ground, continued severe winter storms, and sub-zero temperatures.

March 1975: Total drifting 21 feet for January and February. Vein split and 14 feet of drifting was used to follow the apparently stronger footwall split. ~~Tack~~ Lack of competent help still hampered project work as did continued heavy winter storms.

June 1975: No work during April or May due to heavy winter storms and exceptionally heavy inflow of underground water in mine. Completed 36 feet of drifting on vein, total 127 feet.

May 19 - Field Officer recommended an amendment extending completion date of work from June 17, 1975 to December 17, 1975. Amendment No. 1 executed May 23, 1975.

May 23 - 91 feet of vein averaged 23 inches in width.

October 1975: A disastrous rock slide closed the portal early in July and most of the summer was required to reopen it (middle of Sept.). Work to improve the ventilation was required. Thirty-six feet of drifting on the vein was completed. Labor problems still hampered progress.

Interim inspection made October 2 and 3, 1975. A total footage of 139 feet.

November 28, 1975: Operator requested Amendment to recess contract to June 1, 1976. Contract work to be completed not later than September 17, 1976. Amendment No. 2 executed. August 1976 - financing failed.

September 7, 1976: Amendment No. 3 recommended to set completion date to March 17, 1977. Amendment No. 3 was executed but no further drifting was completed due to a compressor failure and vital parts were irreplaceable for the 20-year-old unit.

The Operator's final report was submitted June 23, 1977, that contained a narrative, geologic map, assay map, and a cross section showing ore reserves discovered as a result of the exploration work.

At my request, the Operator itemized costs of the project that were over and above the estimated cost of the project, as I knew they were excessive.

There have been very few OME exploration contracts that had such excessive costs. Many of these, I believe, could have been averted. As a result, the project was most inefficiently run.

Effectiveness of the Work

The objective of the work was to explore the northeast-trending San Juan vein, in the No. 2 drift for new gold, silver, copper, and lead ore bodies in igneous rocks associated with the Ophir Stock for a distance of at least 251 feet.

The vein was explored for a distance of 163 feet from the OME starting point. The estimated time to complete the 251 feet, based on a rate of five feet per shift, was three months. This should have been ample time in which to complete the work; however, the Operator was consistently hampered the first fall and winter by having to comply with some new Colorado State safety regulations concerning storage of explosives, coupled with labor shortages and replacement of portal timbers, and an unusually heavy winter. His attempt to remain open throughout the winter months of 1974-1975 resulted in an additional expenditure of $19,520.00 for rehabilitation of the mine tunnel, snow removal, and removal of massive caving at the portal. This additional work extended well into the summer months of 1975. The contract was amended three times to enable the Operator to complete the required drifting. He was unable to complete the 251 feet of drift before March 17, 1977, the completion specified in Amendment No. 3 of the subject contract. The Operator expended an additional $15,400.00 for installation of electric power, and an attempt to rebuild an old electric compressor, plus snow removal totalling $34,940.00. The Operator was most ineffective in guiding the work prescribed in the subject contract.

5. Reports:

Operator Final Report - An acceptable final geologic and engineering report was received in this office June 27, 1977.

Cost Review - A report of review is requested by the Field Officer, Region III.

Royalty Review - There has been no production of metals from the mine since the contract was terminated; consequently there will be no request for a Royalty Review by the Field Officer, Region III, OME.

6. Project Results: The project work resulted in the discovery of minable gold, silver, copper, and lead ore. Maps and assay data were attached to the monthly vouchers. Ore reserves estimated by the Operator as of June 23, 1977 and were included in his final geologic and engineering report.

The Operator estimates a reserve of 2,866 tons discovered by the OME drifting having gross value within a range of $49.00 to $62.00 per ton, at current prices. He would have to maintain a grade in excess of $50.00 ore in order to make a profit, and that may not be possible, at least for the present.

The Operator calculates an additional tonnage of ore from work completed prior to the execution of the subject contract totalling 2,820 tons. Any ore shipped now from the San Juan and S. B. Kenrick claims would be subject to Royalty payments, as stipulated in Amendment No. 2, paragraph 3(d). The Operator's total tonnage estimate of 5,686 tons, contains material averaging .04 oz Au, 8.0 oz Ag, 1.00% Cu and 0.30% Pb per ton. At current metal prices this material will gross $56.26 per ton for a total value of $319,894.36.

Unless some very selective mining is done to materially decrease the dilution of rock to ore the Operator cannot mine under the present or even a much improved system. He can in no way keep his mining and milling costs under $50.00 per ton--including the possibility of milling locally. Shipping raw ore to a smelter is out of the question. Under present conditions the Operator could mine only 10 to 30 tons per day. He would need at least five working faces to maintain a 50 ton per day operation, and this will take some doing on his part.

The Operator's reserves are conservative and I would not differ greatly with him on a total reserve of 5,686 tons. Should he mine now, all ore within the San Juan and S. B. Kenrick would be subject to royalty payment by virtue of the lien and subordination agreement, and Amendment No. 2, Item 3(d) of the subject contract as follows:

(d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer

(for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty provided for in the Contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the Contract as amended herein as if a certification of possible production, had been made, such certification of possible production, percentage royalty and liens to secure payment thereof, reports (including the preservation of Operator's record), accounts, audits, and the right to recover any overpayments are hereby preserved.

The provisions of the Contract as amended requires royalty payments by the Operator should he fail to retain his interest in the land. I recommend that the stipulation in Amendment No. 2, Item 3(d) serve as a certification of discovery of possible production, as the Operator indicates that there may be some joint operation of several properties to assure enough production to supply a neighboring mill with enough feed to make the operation possible.

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

July 12, 1977

Memorandum

To: Supervisory Auditor, Contract and Grant
Office of Audit and Investigation

From: Chief, Office of Minerals Exploration
Geological Survey, 953 National Center, Reston, Va.

Subject: Request for Cost Review

Please prepare a Report of Cost Review on the following OME contract:

Docket No.	Contract No.	Operator
OME-6885	2313	Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation

The docket will be furnished upon request. Please call 860-6681.

Harold Kirkemo

Harold Kirkemo

cc: Region III

OME Rdg.
OME Files
Kirkemo file

Rcvd 7/6/77

United States Department of the Interior

GEOLOGICAL SURVEY
Box 25046
Denver Federal Center . STOP 932
Denver, Colorado 80225

IN REPLY REFER TO:

July 1, 1977

MEMORANDUM

TO : Chief, OME

FROM : Field Officer, Region III

SUBJECT: OME 6885 (Silver-Gold)
Charles H. and Anne I. Turner
d/b/a Hamilton Resources Corp.
San Juan Mine
San Miguel Co., Colorado
Contract 23/3

Transmitted herewith is an original and one copy of the Operator's final report, including a geologic, assay and ore reserve map, which was received in this office June 27, 1977. I have retained one copy of the final report.

The report is brief and probably satisfactory, the base essentials are here. I think we would not receive a more detailed report if I would ask for more.

Under the present circumstances, considering the operator, and the current difficulties confronting, mining, milling and marketing from a property this size, I would not certify a discovery in this particular case, and therefore recommend that the contract be terminated, and closed out. My report will be transmitted shortly.

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

June 23, 1977

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, CO 80225

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner
d/b/a Hamilton Resources Corp.
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

We enclose three copies of the Final Report pertaining to OME Contract 2313, pursuant to ARTICLE 5 (c) of said Contract.

Each copy includes a narrative account, geologic map, assay map, and ore reserve map.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

encls.

FINAL REPORT

OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

The following table covers work completed under the above Contract, together with costs of the various items:

Item	Units	Cost
Drifting	163 Ft.	14 181.00
Supervision	3 months	4 500.00
Outside Consultant	1 trip	125.00
Transportation/ "	210 mi.	25.20
Office & accounting	3 months	150.00
Payroll taxes, FICA	5 months	1 561.44
Bulldozing	30 hours	825.00
Assaying	26 samples	305.50
		21 673.14

In addition to the work completed under the Contract, it became necessary to carry out several rehabilitation and maintenance projects, due to causes beyond our control. These are listed below:

1. During September, October and November, 1974, it was necessary to completely re-timber the main portal, and to complete approximately six weeks of rehabilitation in the main level. This work was required due to the fact that the supporting timbers at the mine entrance, and for some distance inside the mine, had been stolen and part of the workings had been allowed to cave. Estimated cost of this extra work, including labor, timber, other supplies, amounted to $8,500.00.

2. New Colorado Bureau of Mines regulations necessitated building an improved powder magazine, at a cost of approximately $1,500.00.

3. During the Spring of 1975 the run-off from melting snow completely washed out the access road to the mine; also, a large dump directly above A-Level portal was dislodged, resulting in a massive slide which completely buried the main portal. Approximately five months were spent repairing the access road, opening the portal and repairing the damage, including timbers, pipelines, etc., before work could be resumed. Estimated cost of this work, including labor, supplies, etc., was $9,520.00.

4. In October, 1975, electric power was finally made available, at a cost of $1,200.00, one year after the application has been filed. In the meantime, the Company's electric compressor had been undergoing a complete overhaul in preparation for its installation at the mine. Replacement parts were ordered, but some were never received. After many months of waiting, the manufacturer advised, on March 1, 1977, that the missing parts were no longer available, and that they would have to be shop fabricated. Since specially treated steel was required, we were unable to find a machine shop which was prepared to produce the needed parts. Estimated cost of this project was $6,720.00.

5. In addition to the foregoing, the work program was seriously handicapped by shortage of experienced labor, lack of sources of supply for equipment replacement parts, and many lost time shifts due to record snow falls during the winter of 1974-75. The cost of snow removal, alone, is estimated at $7,500.00 during this period.

Total estimated cost of extra work, not covered by the Contract, amounted to $34,940.00.

GEOLOGY. (Map 1)

The San Juan vein was exposed for a length of 144 feet, under the Contract. In addition, an off-shoot stringer was investigated for a distance of 19 feet, for a total advance of 163 feet.

The stringer pinched, and work was resumed on the main structure.

The main vein continued strong and well defined throughout its exposed length, over widths from 14" to 36", for an average width of 22.7 inches. However, values were low for a length of 30 feet, from 25 feet to 55 feet east of the start of the OME program.

The vein is generally quartz with some barite, pyrite, chalcopyrite and tetrahedrite. Assay values are in gold, silver, copper and lead.

The 30-foot section of vein which contained low values was split into two narrow stringers, separated by country rock, and fractured by faulting. Sparse mineralization was noted in this section.

The vein is a water course, and the flow of water fluctuates according to the time of year.

Samples and assays are tabulated in the following table: (see Map 2).

ASSAYS

No.	Au/oz	Ag/oz	Cu/%	Pb/%	Inches	
1	.005	3.23	.50	.30	20	
2	.035	8.54	.90	.40	24	
3	.010	3.86	.60	.30	26	
4	.005	0.25	.03	.04	24	(H.Wall)
5	.020	12.13	.90	.30	30	
6	.040	.55	.10	.20	22	
7	.075	3.25	.48	.17	20	
8	.045	2.51	.65	.12	26	
9	.020	1.00	.43	.04	27	
10	.035	3.33	.92	.12	30	
11	.001	.16	.22	.02	18	(F.Wall)
12	.001	5.27	.50	.08	18	
13	.005	15.71	2.00	.20	20	
14	.020	0.84	.04	.30	8	(X-cut)
15	.020	23.12	1.45	.35	18	
16	.010	11.29	1.80	.50	20	
OME	.015	20.70	1.72	.56	18	
17	.103	29.20	1.17	.02	14	
18	.103	3.34	1.35	.04	22	
19	.134	13.12	.68	.27	24	
20	.157	8.40	.66	.12	21	
21	.040	6.56	.60	1.24	36	
22	.020	4.78	.30	.25	36	
23	.020	3.42	.75	.20	34	
24	.040	2.94	1.40	.10	18	
25	.020	6.36	1.10	.10	28	
26	.001	8.22	1.70	.30	22	
27	.010	6.20	1.40	.40	22	
28	.020	5.90	1.10	.60	20	
29	.040	5.75	1.20	.55	21	
30	.065	14.20	1.25	.50	20	
31	.050	5.50	1.15	.45	16	
32	.040	4.20	.90	.40	12	
Brodie	.080	5.34	.34	.38	36	
Wtd.Av.	.038	6.93	.86	.30	22.7"	

NOTE - Eliminating Samples #4 (hanging-wall of vein), #6 thru #12 (low values in fault zone), and #14 (x-cut), the values calculate as follows:

.040	9.22	1.00	.34	23.9"

Four additional samples were taken from the vein and muck pile as follows:

.50	8.77	1.10	.24	Sta.E + 20'.	Vein
.022	2.68	.285	.088	E + 40'	Muck
.01	.57	.29	.07	E + 58A	"
.01	2.26	.80	.26	E + 58B	"

ORE RESERVES.

A total of 144 feet of mineralized vein was opened under the Contract. Assuming that comparable mineralization extends above A-Level, 78 feet to B-Level, at a consistent width of 2 feet, tonnage in the block amounts to 2246 tons, less an estimated 100 tons of low grade material, resulting in a total of 2146 tons. Extending the block below A-Level for 25 feet, the additional tonnage amounts to 720 tons, for a total of 2866 tons above and below A-Level.

In addition to the above, ore blocks indicated by development work previously completed are shown on Map 3, Ore Reserves, attached hereto. These blocks indicate a tonnage of 2820 tons.

The above tonnages are not blocked on four sides.

Since the method of mining this type of orebody would probably be narrow shrinkage or scraper-slot stoping, it is felt that dilution with waste should not exceed 10% maximum, and the average should amount to considerably less.

Due to rapidly changing metal prices, it is impossible to place a value on the ore. However, according to the best estimates available in the district, the cut-off point would be within a range of $48.00 to $54.00 per ton, depending on the prices of the metals contained.

June 15, 1977.

Reported:

Charles H Turner

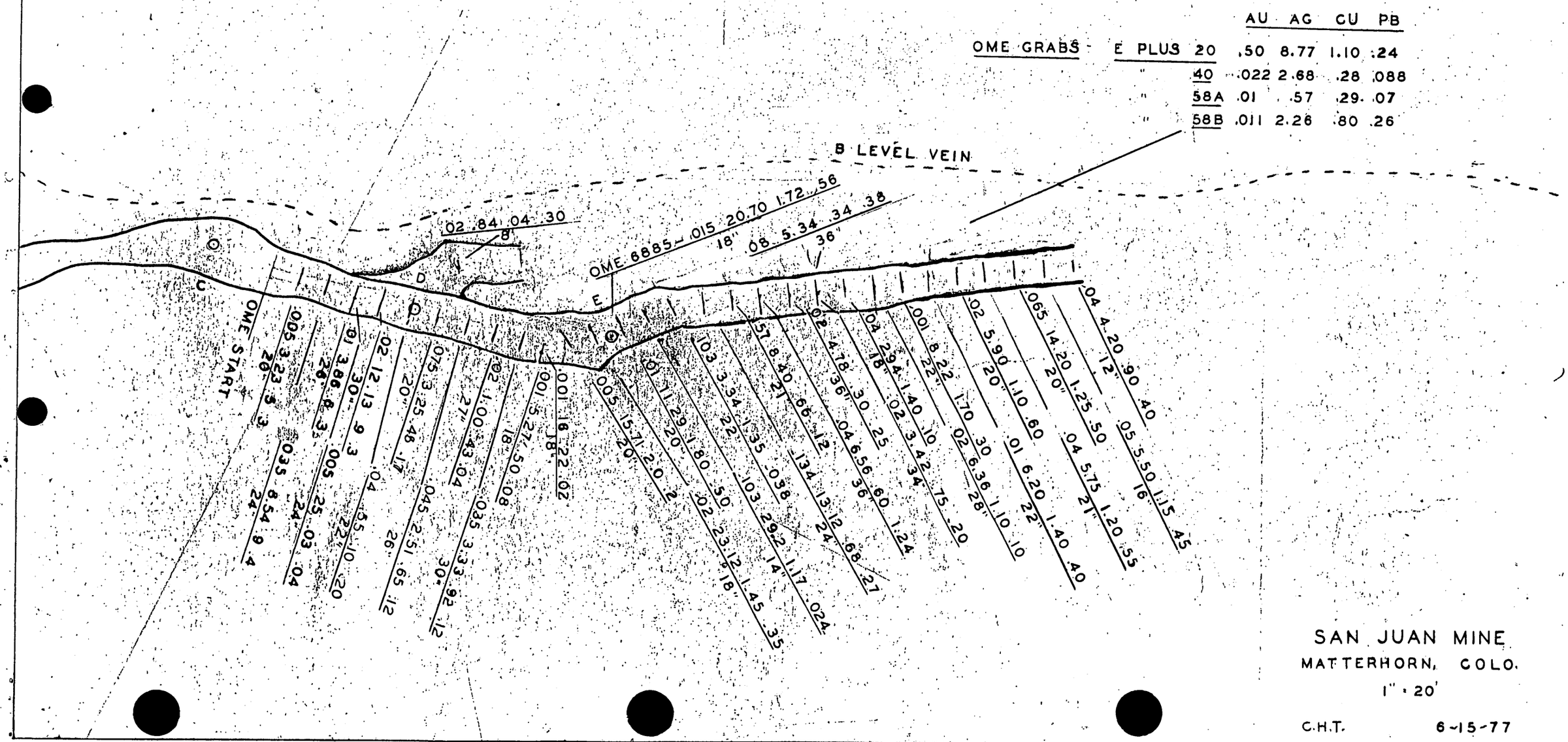
Charles H. Turner

MAP 2

ASSAY MAP

VALUES SHOWN - AU AG CU PB / INCHES

OME GRABS		AU	AG	CU	PB
E PLUS	20	.50	8.77	1.10	.24
"	40	.022	2.68	.28	.088
"	58A	.01	.57	.29	.07
"	58B	.011	2.26	.80	.26



SAN JUAN MINE
MATTERHORN, COLO.
1" = 20'

C.H.T. 6-15-77

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

March 21, 1977

Mr. Charles H. Turner
President
Hamilton Resources Corporation
P.O. Box 3224, HiMar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Turner:

OME Contract 2313 terminated on March 17, 1977, under provisions of the contract, as amended, and a final report is due on the OME project work that was done. The report need not duplicate the detail presented in the monthly reports but it should include summaries of work and expenditures on the individual items set forth in the contract.

Because no work under the contract was done since November 1, 1975, the date of the last voucher submitted, the Government will not contribute to any costs incurred since then, and reserves the right to issue a certification of possible production within six months of receipt of your final report and account.

We regret that you were unable to complete work on the contract, but we hope that you will be able to arrange financing to complete the exploration work originally planned.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Copy to Reg III

Rec'd 10/19/76

United States Department of the Interior

GEOLOGICAL SURVEY
Box 25046
Denver Federal Center
Denver, Colorado 80225
Mail Stop 953

IN REPLY REFER TO:

MEMORANDUM

October 14, 1976

TO : Chief, Office of Minerals Exploration

FROM : Field Officer, Region III

SUBJECT: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed is a letter, dated October 12, 1976, from the subject Operator explaining the article that appeared in the October 6, 1976 issue of the Mining record. The article indicated that Hamilton Resources Corporation might not now be the Operator.

The Operator's letter of explanation was written pursuant to a telephone conversation with him yesterday, October 13, 1976, requesting him to explain the SILCO relationship to the Operator's company.

J. William Hasler by WPP

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

Enclosures

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

specting Seminar

s" are the attraction that today's amateur ectors whose numbers thousands of weekend cation campers. If you your own fun in the rs and want to make like r, it is well to keep in hat the rewards on the are small, but so is the ent. An outlay of under lars can put you in the with the Old Timers and, follow the instructions The Gold Prospectors on where to go, what to and what to do, you'll our way — if not to a ke — at least to a wealth sh air and healthful

Gold Prospectors Assoc. ica has several thousand , concentrated mainly Western United States. esident, George Massie known as "Buzzard and Pete Kuypers, will main and featured "Buzzard George" has ofessional miner for the ears and is well known ut the Western States. had many experiences e of benefit to the ler as well as the professional miner. Pete Kuypers, an old timer, is well versed with metal detectors and dowseing rods. These two gentlemen put on one of the most informative Seminars on prospecting for gold and other minerals around the West.

There will be many types of mining equipment on display including, Dredges Dry washers, Metal detectors, mineral classifiers, etc. but the Gold Prospectors Assoc. does not sell any equipment.

The reason for the Seminars is that the recent legalization of Gold has lured many people out on their weekend and vacations to prospect. A lot of these people are going into areas that are not open to mineral entry. They are going onto other people's claims and many of the 1872 Mining Laws are being broken. Because of this, and other reasons, there is a Bill pending in the U.S. Senate and House, which would repeal the 1872 Federal Mining Laws and require even the rankest amateur to lease land before he could prospect. (Senate Bill S-507, House Bill HR 8435). That would put the little guy out of business.

Every man owes a part of his time and money to the business in which he is engaged. No man has a moral right to withhold his support from an organization that is striving to improve conditions within his sphere.

—Theodore Roosevelt

The Colorado

Mining Association

Robert P. Comstock, Denver
President

David R. Cole, Denver
Manager

330 Denver Hilton Office Bldg. ■ 1515 Cleveland Place
Denver, Colorado 80202
(303) 534-1181
ANNUAL MEMBERSHIP $20.00

Energy Resources Earnings Highest In Company History

FORT WORTH, Texas — Energy Resources Corporation (AMEX) achieved sales of $13,926,571 in the fiscal year ended June 30, 1976, net incomes of $1,698,502, and earnings per share of $0.92, ENR President Boyd E. Ray announced. Results in each category were the highest in the company's history. Management reported that fiscal 1975 sales were $8,347,584, net income was $1,215,123, and earnings per share were $0.83.

The 1976 results include the operations of TEPCO, Inc., acquired by the company effective July 1, 1975. Without this acquisition, fiscal year 1976 results would have reflected sales of $10,195,360 (a 22% increase), income from operations of $1,350,023 (a 38% increase), net income of $1,350,023 (an 11% increase) and earnings per share of $0.95 (a 14% increase).

Net income included tax credits of $40,251 in 1976 and $233,453 in 1975. Before these extraordinary items, 1976 income from operations was $1,658,251, or $0.90 per share, and for 1975 income from operations was $981,670, or $0.67 per share.

Energy Resources Corporation is active in oil and gas exploration and production, heat treating of metals, custom steel fabrication, uranium and coal drilling, and the electronic air cleaning equipment. The company's common stock was recently listed on the American Stock Exchange, under the symbol "ENR".

nited States Must Rely re On Coal For Energy

NGTON, D.C. — The ates has been "living ergy shelf" for nearly using up its banked of oil and gas, but next decade it must and more on its vast of coal, Assistant Secretary William L.

ow have an outright rtage of natural gas," d, "and we have a f domestic petroleum en concealed only by sing imports. One of es of our energy

More than 330 geologists and other scientists and engineers from industry, universities, Federal and State agencies, and international scientific organizations were expected to attend the two-day symposium.

"A number of figures are available to describe our coal resources, and all have one thing in common: they are immense," Fisher said in remarks prepared for the opening session. "Yet last year, coal supplied only one fourth as much energy to our economy as oil and gas."

Silco Reports Silver Discovery

BOULDER, Colo. — Silco Mining Corporation reports that recent development work at its San Juan mine, south of Telluride, has exposed a strong silver vein for a length of 320 feet to date, on the main haulage level. Average grade is .09 oz. gold, 9.5 oz. silver, 1.5% copper and 1.5% lead. The vein is consistent, and plans call for continuing the development program thruout the winter, with production anticipated about mid-1977.

Exploration work has been carried on under a U.S.G.S. Office of Minerals Exploration contract; and stope preparation and other pre-production activity will be financed by means of a private placement offering.

Head office of the Company is Box 3224 HiMar Sta., Boulder, Co. 80307.

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80307 (303) 499-3330

Oct. 12, 1976

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, Co. 80225

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

Referring to the news item entitled "SILCO REPORTS SILVER DISCOVERY", which appeared in the Mining Record of October 6, 1976 -

If, and when a mining operation is carried out on the subject property, the operating Company will be Silco Mining Corp. as lessee.

However, since Silco is controlled by Hamilton Resources Corp., there will be no change in management. In other words, Charles H. and Anne Z. Turner will remain in charge of the operation, and the terms of the above Contract will be carried out accordingly.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner
President

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OCT 14 1976
REGIONS I AND III
OFFICE OF MINERALS EXPLORATION
DENVER, COLORADO

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GOLDEN, COLORADO 80401

to withhold his support from an that is striving to improve conditions here.

—Theodore Roosevelt

Colorado
ssociation
David R. Cole, Denver
Manager
Bldg. ■ 1515 Cleveland Place
lorado 80202
534-1181
BERSHIP $20.00

rces Earnings
mpany History

coal drilling, and the electronic air cleaning equipment. The company's common stock was recently listed on the American Stock Exchange, under the symbol "ENR".

Silco Reports Silver Discovery

BOULDER, Colo. — Silco Mining Corporation reports that recent development work at its San Juan mine, south of Telluride, has exposed a strong silver vein for a length of 320 feet to date, on the main haulage level. Average grade is .09 oz. gold, 9.5 oz. silver, 1.5% copper and 1.5% lead. The vein is consistent, and plans call for continuing the development program thruout the winter, with production anticipated about mid-1977.

Exploration work has been carried on under a U.S.G.S. Office of Minerals Exploration contract; and stope preparation and other pre-production activity will be financed by means of a private placement offering.

Head office of the Company is Box 3224 HiMar Sta., Boulder, Co. 80307.

United States Department of the Interior

GEOLOGICAL SURVEY
Box 25046
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 1976

INITIALS	CODE
HK	

MEMORANDUM

September 30, 1976

To : Chief, Office of Minerals Exploration

From : Field Officer, Region III

Subject: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed is the Government's copy and the Branch of Financial Management's copy of Amendment No. 3 (one page) to the subject contract. Both copies have been signed by the Government and by the Operator (two signatures). The Operator retained the Operator's copy and I am retaining the Field Office copy in my files.

In reply to your inquiry concerning retention of control of the property in arranging the additional financing, the Operator informed me that he still controls the property. The additional financing was obtained by a private placement of the Company's stock, and that enough funds were obtained to enable him to complete the project work.

J. William Hasler

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

Enclosures

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

Sept. 25, 1976

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

Please find enclosed three copies of proposed Amendment No.3 to the subject Contract, signed for the Operator by its President and Secretary.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

encls.

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 27 1976

INITIALS	CODE
	AX

Mail Stop 953

September 23, 1976

Mr. Charles H. Turner
Hamilton Resources Corporation
Box 3224 HiMar Station
Boulder, Colorado 80307

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Turner:

Enclosed are the original and three copies of proposed amendment No. 3 (one page) to the subject contract, signed for the Government.

If the proposed amendment is satisfactory to you, all four copies should be signed by both you and Mrs. Turner. Retain the "Operator's Copy" for your files and return the other copies to this office.

If any part of the proposed amendment does not have your approval, the original and all copies are to be returned to this office together with proposed changes for consideration.

Sincerely yours,

J. William Hasler

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

Enclosures

cc: Chief OME
OME Chron.
Mr. Hasler
OME 6885

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

September 21, 1976

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed are the original and three copies of proposed Amendment No. 3 (one page) to the subject contract, signed for the Government. An extra copy of the amendment is also enclosed for Field use.

If the proposed amendment is satisfactory to you and the Operator, the four copies should be signed by Mr. and Mrs. Turner and distributed as indicated on the copies.

If any part of the proposed amendment does not have your approval or that of the Operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Please note that the period for payment of royalty on production has been extended from ten to twelve years from the date of the contract. This will cover the additional time granted by the three amendments to the contract for completion of the work.

In arranging additional financing, has the Operator retained control of the property? If not, we may have a problem with respect to continuing the contract.

Harold Kirkemo

Harold Kirkemo

Enclosures

DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

September 16, 1976

Memorandum

To: The File

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Justification for Amendment No. 3

The Field Officer, OME Region III, in a memorandum dated September 7, 1976, to the Chief, OME, recommended that the Contract be amended to extend the completion date for work an additional six months, or until March 17, 1977. The Operator had requested extension to February 17, 1977. I concur in the Field Officer's recommendation.

Work on the Contract perhaps could have been completed by September 17, 1976, if circumstances beyond the Operator's control had not occurred. State and Federal mine inspectors have requested that the Operator drive a ventilation raise to the level above the OME drift because of a health hazard caused by operating diesel equipment in inadequately ventilated workings. The Operator could not afford to undertake this work and the OME drift at the same time without additional financing. Thus, he was unable to proceed with the OME drift during the summer of 1976 as expected.

On September 8, 1976, the Operator personally informed the Field Officer that financing had been arranged and that the balance of work on the OME contract could be completed. He asked that an amendment be granted to extend the contract for this purpose.

In view of the modest amount of work (about 88 feet) remaining to be done, it is in the interest of the Government to allow completion of the work as originally planned. Continued exploration along the San Juan vein may add to the reserves discovered by the work to date.

Harold Kirkemo

Harold Kirkemo

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

United States Department of the Interior

GEOLOGICAL SURVEY
Box 25046
Denver Federal Center
Denver, Colorado 80225
Mail Stop 953

IN REPLY REFER TO:

Memorandum

September 7, 1976

To : Chief, Office of Minerals Exploration

From : Field Officer, Region III

Subject: OME 6885 (Silver-Gold)
Charles H. and Anne Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

The operator, in a letter dated August 23, 1976 stated that little work had been accomplished since he reopened the mine after a winter recess due to a lack of funds. He indicated that there was a private placement of the company's stock in progress and that funds would be available within a week or ten days.

Mr. Turner, the operator, was in this office today and informed me that they now are assured of funding, and can complete the balance of footage remaining under the subject contract. He has requested that the contract be amended to extend the completion date of the work from September 17, 1976, as fixed by Amendment No. 2, (2) dated December 18, 1975, to February 15, 1977.

It is recommended that the contract be amended to extend the completion date for a period of six (6) months from the completion date, or to March 17, 1977. The remaining footage, some 88 feet, will be driven in conjunction with a ventilation raise that is required by the Colorado State Division of Mines, consequently the six months extension should be plenty of time for the operator to complete the work. It will be to the Government's advantage to explore as much of the vein in the San Juan mine as it possibly can.

The operator has replaced the diesel equipment with electrical power, where possible, and work can begin immediately.

Enclosed is the operator's request to extend the contract.

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

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

Sept. 4, 1976

RECEIVED
SEP 7 - 1976
REGIONS I AND III
OFFICE OF MINERALS EXPLORATION
DENVER, COLORADO

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

We refer to our letter of August 23, 1976, in regard to the Private Placement offering of our common stock.

Our Broker has advised that the initial sale has been made, and that funds should be received at our Boulder office on or about Septermber 8, 1976.

This will enable us to resume operations immediately.

In view of this, we hereby request that the above contract be extended from September 17, 1976 to February 15, 1977.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

August 23, 1976

RECEIVED
AUG 26 1976
REGIONS I AND III
OFFICE OF MINERALS EXPLORATION
DENVER, COLORADO

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, Colorado 80225

Re: OME 6885, (Silver-Gold)
Charles H. and Anne Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

This is to advise that work under the above contract has not been possible this summer, due to lack of sufficient financing.

A private placement of the Company's common stock is currently in progress, and our broker feels that first funds should be available within a week or ten days.

Diesel equipment at the mine has been replaced with electric power wherever possible, and the operation can be resumed almost immediately, as soon as funds are received.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO: P. O. Box 25046 - Building 53 - MS 953

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 3 '76

INITIALS	CODE
HK	

July 30, 1976

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

An interim inspection was made of the San Juan Mine on June 23, 1976, in company with Charles H. Turner's son, as Mr. Turner was confined at home with an eye infection.

The Operator informed us on May 28, 1976 that work had been resumed after a winter's recess. The portal had been cleaned and the installation of electrical equipment was being prepared as the Telluride Power Company had brought power lines to the property in early Spring.

The State and Federal mine inspectors have requested that the Operator drive a raise to the B level above to insure more adequate ventilation. Previous work with diesel equipment was becoming unbearable as not enough fresh air was moving through the workings to supply adequate ventilation. This work is in progress along with an advance at the face on the A level. In conversation with the Operator the last of June, I was informed that he and a group of men are forming a company that plans to operate not only the San Juan Mine but two adjoining mines,the San Bernardo, Garibaldi and the Butterfly vein system that lies north of the San Juan Mine. By this method, they hope to be able to supply a local mill with enough ore to keep each of the properties in production, rather than trying to operate only one small property. The ore from each of these veins, the San Bernardo, Garibaldi, Butterfly and San Juan are all high silver bearing veins with like mineral assemblages; consequently, the one mill could treat all the ore pretty well.

Mr. Turner assured me that this new combine would not change the ownership of the property, but would enhance its value. An interim inspection will be made during August 1976.

MEMORANDUM OF CALL

TO: Kirk

☒ YOU WERE CALLED BY— ☐ YOU WERE VISITED BY—

OF (Organization) Mr. Beaudin Budget office

☒ PLEASE CALL → PHONE NO. CODE/EXT. x7217

☐ WILL CALL AGAIN ☐ IS WAITING TO SEE YOU

☐ RETURNED YOUR CALL ☐ WISHES AN APPOINTMENT

MESSAGE

32 940 Author.
21 673 Obligat.
11,267 Balance
.75
56335
78869.25
8,450 $8,450

#9,000

RECEIVED BY	DATE	TIME
Donna	8/2	9:24a

STANDARD FORM 63
REVISED AUGUST 1967
GSA FPMR (41 CFR) 101-11.6

GPO : 1969—o48—16—90341-1 332-389

63-108

8/2/76

Authorized Bruce Beaudin, Budget office, to appoition $9,000 for 1st Qtr. FY77 in the event OME-6885 (Turner) contract has to be terminated & funds released.

M. Kirkland

HK

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO: P. O. Box 25046 - Building 53 - Mail Stop 953

June 4, 1976

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-gold)
Charles A. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Enclosed is a copy of a letter from the applicant dated May 28, 1976 notifying us that exploration work under the subject contract was resumed before June 1, 1976.

Amendment No. 2 to the subject contract allowed for a suspension of contract work beginning November 1, 1975 and ending no later than June 1, 1976, due to inclement weather during the winter months at elevations above 10,000 feet, where exploration work is being done.

There is a surplus of miners in the general area at the present time due to a number of lay-offs at neighboring mines as a result of low metal prices, consequently, the Operator should not be plagued by not being able to find competent miners this summer.

The Operator's letter was received in this office today as it went to the U. S. Bureau of Mines first. I'll make certain that the operator is aware of our mail stop number is 953, and that it is on the next letter from him.

Sincerely yours,

J. William Hasler

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

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

May 28, 1976

RECEIVED
JUN 4 1976
REGIONS I AND III
OFFICE OF MINERALS EXPLORATION
DENVER, COLORADO

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

This is to advise that work under the above contract has been resumed.

Some caving occurred during the winter months, but no serious delays are anticipated.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner
President

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

P. O. Box 25046 - Building 53 - Mail Stop 953

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 8 1976
INITIALS | CODE

January 5, 1976

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed is the Government's copy and the Branch of Financial Management's copy of Amendment No. 2 (2 pages) to the subject contract. Both copies have been signed by the Government and by the Operator (two signatures). The Operator retained the Operator's copy and I am retaining the Field Office copy in my files.

The Operator will notify us in writing when exploration work is resumed this spring at the San Juan Mine.

J. William Hasler

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

Enclosures

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

Dec. 30, 1975

OFFICIAL COPY
O. M. R.
RECEIVED
JAN 8 1976
INITIALS | CODE

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

Please find enclosed three copies of proposed Amendment No.2 to the subject contract, signed for the Operator by its President and Secretary.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

Encls.

HK 1/5/76

P. O. Box 25046 - Building 53 - Mail Stop 953

December 29, 1975

Mr. Charles H. Turner
Hamilton Resources Corporation
Box 3224 - Hi Mar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Turner:

Enclosed are the original and three copies of proposed amendment No. 2 (two pages) to the subject contract, signed for the Government.

If the proposed amendment is satisfactory to you, all four copies should be signed by both you and Mrs. Turner. Retain the "Operator's Copy" for your files and return the other copies to this office.

If any part of the proposed amendment does not have your approval the original and all copies are to be returned to this office together with proposed changes for consideration.

Sincerely yours,

J. William Hasler

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

Enclosures

cc: Chief, OME
OME chron
Mr. Hasler
OME-6885

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

December 23, 1975

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed are the original and three copies of proposed Amendment No. 2 (two pages) to the subject contract, signed for the Government. An extra copy of the amendment is also enclosed for Field use.

If the proposed amendment is satisfactory to you and the Operator, all four copies should be signed by Mr. and Mrs. Turner and distributed in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Harold Kirkemo

Enclosures

DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo

HKirkemo/gpw

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

December 12, 1975

Memorandum

To: The File

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313
Justification for Amendment No. 2

The Field Officer, OME Region III, has recommended that the subject contract be recessed until June 1, 1976, in response to a request dated November 28, 1975, from the Operator. I concur in the recommendation.

As is usually the problem with a project in a mountainous, remote district, it is not feasible to try to continue operations during the winter and spring months. Efficiency declines, labor is difficult to obtain, and overall costs increase during inclement weather. The drift being advanced on the contract is exploring a well-mineralized vein, and it is in the Government's interest to allow work to continue next summer in order to explore as much as the contract allows.

Harold Kirkemo

Harold Kirkemo

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO: P. O. Box 25046 - Building 53 - Mail Stop 953

December 3, 1975

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Ag-Au)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2131

The Operator, in a letter dated November 28, 1975, (enclosed), has requested that the work on the subject contract be recessed until June 1, 197~~5~~6 due to inclement weather at the mine which is at an elevation of 9,675 feet above sea level.

Because of early snowstorms, the loss of another experienced min~~or~~er, plus other difficulties the operator cannot complete the remaining footage allowable under the contract by the time fixed for the completion of the work of December 17, 19~~65~~75.

The San Juan vein has maintained an average width of 2.5 feet for a distance of some 278 feet, and has an average value of 0.03 oz. Au, 7.61 oz. Ag, 0.86% Cu and 0.85% Pb. Since the San Juan vein remains strong and contains considerable values in silver and gold, it is recommended that the subject contract be further amended to allow for a winter recess so that the full footage allowed under the contract be completed.

I recommend that the time fixed by article 1(a) of the contract for completion of the work be extended from (18 months) to (27) months from the date of the contract or until September 17, 1976.

J. William Hasler

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

Enclosure

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

Nov. 28, 1975

OME Region III
RECEIVED
DEC 2 - 1975
Denver, Colorado

Mr. J. William Hasler
Field Officer, Region III
OME, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: Docket OME 6885
Contract 2313
Silver-Gold
San Juan Mine

Dear Mr. Hasler:

Due to the early start of winter, and the difficult operating conditions under which the work must be carried on during the winter months, we hereby request that the above contract be recessed until June 1, 1976.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OFFICIAL COPY
O. M. E.
RECEIVED
NOV 10 1975

HK 11/4/75

OPERATOR'S MONTHLY VOUCHER

For Month of October 1975

INITIALS CODE
HK

Docket No. OME- 6885
Contract 14-08-0001 (2313)
Contract Amount $ 32,940.00
Gov't. Participation % 75 $ 24,705.00

Operator's Name: Charles & Anne Turner, d/b/a Hamilton Resources Corporation
Address: Box 3224 HiMar Sta., Boulder, Co. 80303

COST ITEMS (FROM EXHIBIT A)	FOR OPERATOR'S USE: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS	FOR GOVERNMENT USE ONLY: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS
FIXED UNIT COSTS		$		$		$		$
Drifting	36	3,132.00	163	14,181.00	36	3,132.00	163	14,181.00
Supervision			3	4,500.00			3	4,500.00
Outside Consultant			1	125.00			1	125.00
Transportation/Cons.			210	25.20			210	25.20
Office & Accounting			3	150.00			3	150.00
Payroll taxes, FICA	1	230.64	5	1,561.44	1	230.64	5	1,561.44
TOTAL FIXED UNIT COSTS		3,362.64		20,542.64		3,362.64		20,542.64
ACTUAL COSTS								
Category 1								
Bulldozing			30	825.00			30	825.00
Category (7) Misc.								
Assaying	6	70.50	26	305.50	6	70.50	26	305.50
TOTAL ACTUAL COSTS		70.50		1,130.50		70.50		1,130.50
TOTALS		$ 3,433.14		$ 21,673.14		$ 3,433.14		$ 21,673.14

I certify that the above bill is correct and just and that payment therefor has not been received

Date Nov. 1, 1975 *Payee HAMILTON RESOURCES CORPORATION

Charles H. Turner

By Charles H. Turner Title President & Treasurer

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature J. William Hooker OME Field Officer 10/31/75 Date

14X0804

Approved for: $ 2,574.86
(SUBJECT TO AUDIT)

Signature

Date NOV 07 1975 Voucher No. A6410A

Docket No. OME 6885
Contract No. 2313

NARRATIVE REPORT

October 1975

A2 Drift was advanced a distance of 36 feet during the first three weeks of October on a quartz-barite vein, containing fair sulfide mineral with some tetrahedrite (?). The deer hunting season was in progress during the remainder of the month, and no miners were available.

The vein width varied from 18 inches to 36 inches, generally, and the vein was unusually soft and vuggy.

Sample results from the last six faces are being awaited.

The work was held up for most of the summer due to a disastrous rock slide, which buried the mine portal and approach.

Electric power is now being connected, and an electric slusher is being installed. Also, ventilation is being improved by installation of a larger diameter vent-bag. It is expected that progress will improve considerably, as a result of these changes.

Reported: Chas H Turner
Charles H. Turner

ROOT & SIMPSON, Inc.

METALLURGICAL CHEMISTS AND ASSAYERS

DENVER, COLORADO 80218

TEL. 831-7184 P. O. BOX 18329

SPECIMEN ASSAY

ASSAYED FOR	MARKS
Hamilton Resources	Rock

GOLD OZS. PER TON	SILVER OZS. PER TON	WET LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	IRON PER CENT	U_3O_8 PER CENT	PER CENT	PER CENT
0.04	6.56	1.24	0.60	#21				
0.02	4.78	0.25	0.30	#22				
0.02	3.42	0.20	0.75	#23				

DATE 7/23/75 CHARGES $ 35.25

Root & Simpson, Inc.

ROOT & SIMPSON, Inc.

METALLURGICAL CHEMISTS AND ASSAYERS

DENVER, COLORADO 80218

TEL. 831-7184 P. O. BOX 18329

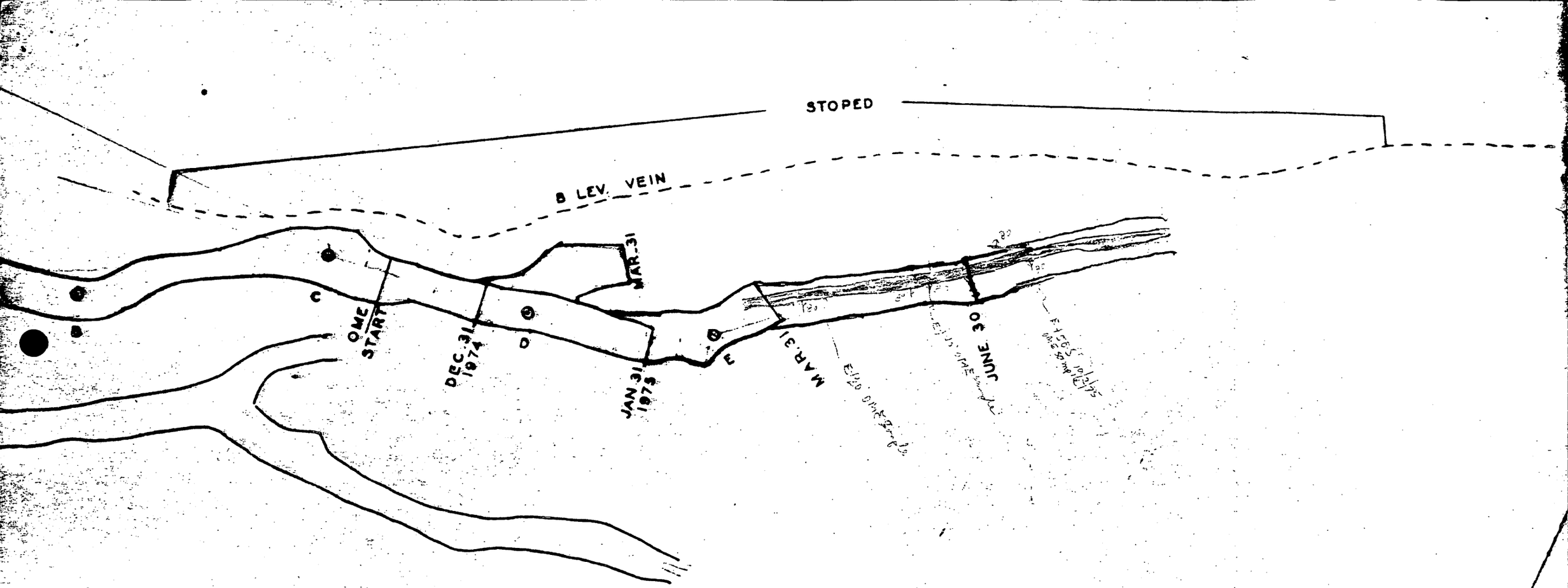
SPECIMEN ASSAY

ASSAYED FOR	MARKS
Hamilton Resources	

GOLD OZS. PER TON	SILVER OZS. PER TON	WET LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	IRON PER CENT	U_3O_8 PER CENT	PER CENT	PER CENT
0.040	2.94	0.10	1.40	Sample 24				
0.020	6.36	0.10	1.10	Sample 25				
0.001	8.22	0.30	1.70	Sample 26				

DATE 9/18/75 CHARGES $ 35.25

Root & Simpson, Inc.



SAN JUAN MINE

MATTERHORN, COLO.

1" = 20'

HAMILTON RESOURCES CORP.

MONTHLY TIME SHEET

October 1975

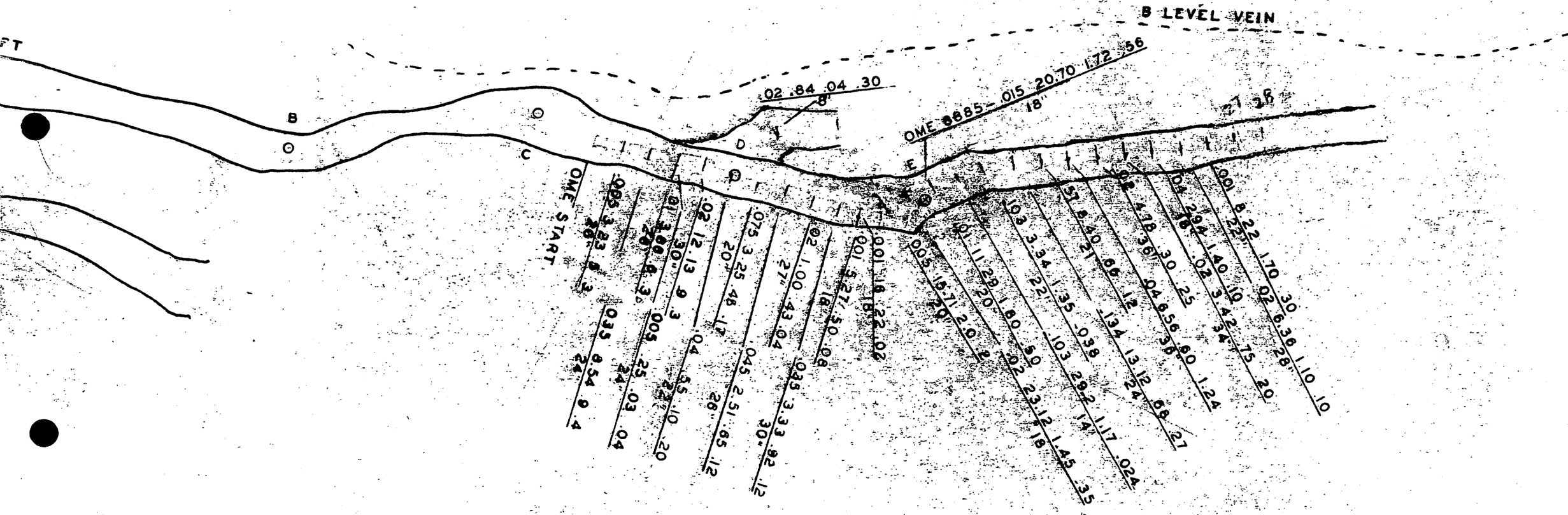
NAME	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	Tot.Hrs.	RATE	Wages
Peter D. Turner	8	8	8			8	8	8	8				8	8	8	8	8			8	8	8	8	8								136	4.00	544.00
James Ferando	8	8	8			8	8	8	8				8	8	8	8	8			8	8	8										120	4.60	552.00
Murrey Baer						8	8	8	8				8	8	8	8	8			8	8	8										96	4.60	441.60

TOTAL WAGES 1537.60

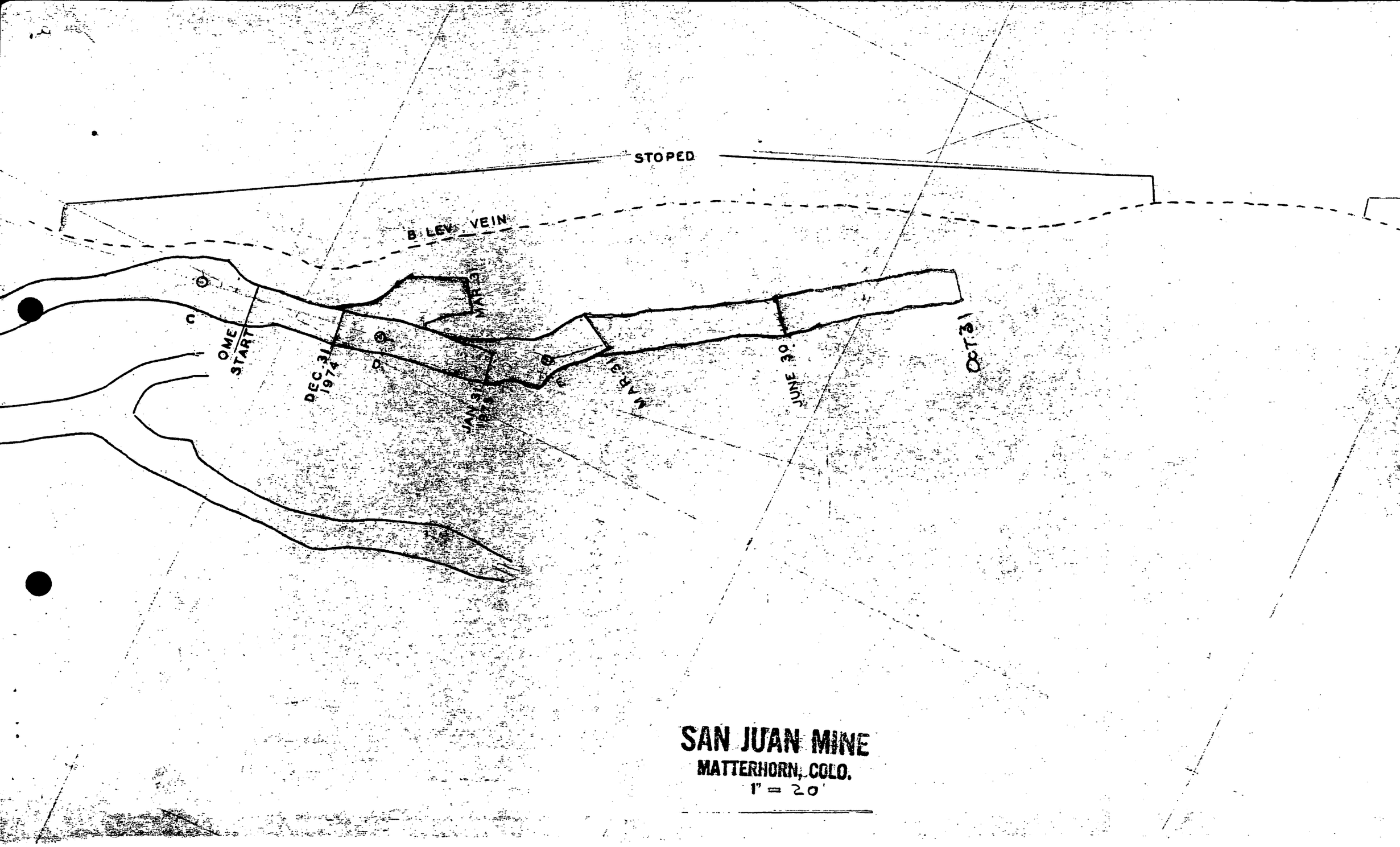
@ 15%

= 230.64

VALUES SHOWN - AU AG CU PB / INCHES



SAN JUAN MINE
MATTERHORN, COLO.
T - 20



SAN JUAN MINE
MATTERHORN, COLO.
1" = 20'

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

HK
11/4/75

Nov. 1, 1975

Mr. J. William Hasler
Field Officer, Region III
OME, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Hamilton Resources Corp.
San Juan Mine

Dear Mr. Hasler:

I am enclosing the original and three copies of the following:

1. Monthly voucher for October 1975.
2. Operator's Narrative Report.
3. Invoices from Root & Simpson, Assayers.
4. Assay map to October 31, 1975.
5. Progress map to October 31, 1975.
6. Sketch showing vein to Oct. 31 face.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner
President

encls.

United States Department of the Interior
GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Building 53 - P. O. Box 25046 - Mail Stop 953

October 31, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is an original and two copies of the Operator's Monthly Voucher for October, 1975 with accompanying narrative, maps, assay costs, and determinations, etc., recommended for payment.

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

Enclosures

United States Department of the Interior
GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225
P. O. Box 25046 - Building 53 - Mail Stop 953

IN REPLY REFER TO:

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 10 1975
INITIALS CODE
HK HK

October 8, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Ag-Au)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

An interim inspection of the subject mine was made on October 2 and 3, 1975 by the Field Officer, Region III in company with the Operator, Mr. Charles H. Turner.

The Operator is continuing to drift on the San Juan vein and had completed a total of 139 feet. Some 20 feet of this total was utilized in a stub drift, driven because of split in the vein. Actual drifting on the main vein totals 118 feet. The contract allows for a total drift footage of 251 feet, leaving a balance of 112 feet.

During early July the portal was closed by a landslide caused by melting snow and additional heavy rains. The portal was not reopened until the middle of September, and drifting was begun September 22nd.

The San Juan vein has been drifted on, for a distance of 118 feet under OME participation. The vein containing chalcopyrite, pyrite, galena, and sphalerite continues strong and to date (10/2/75) maintains an average width of 2.5 feet, with values averaging 0.03 oz. Au, 7.61 oz. Ag, 0.86% Cu and 0.85% Pb. Gross value of the ore at current metal prices (10/2/75) totals $51.73.

The San Juan vein has been explored for a distance some 278 feet on the A level drift, and will be explored for a total distance of 390 feet by the time the exploration work is completed.

The operator is presently having electric power installed on the property. He has purchased an electric powered tugger and hopes to be using the electric power within the next week or two. This should increase the efficiency of the operation immeasurably.

The drift dimensions are not less than 6 by 8 feet in cross section, and no timbering has been required. The operator has attempted to mine by resuing, that is, removing the wallrock on the hanging wall side of the vein then mining the vein material separately to insure a higher grade product, however the vein does not withstand this method. Because of the shattered nature of the vein material the back slabs off rather badly. The operator will possibly have to resort to some kind of sorting method.

The operator is investigating the use of heap leaching on several of the old dumps from the San Juan vein in order to obtain some form of cash flow.

J. William Hasler

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

OFFICIAL
COPY
O. M. E.
RECEIVED
Oct 10 1975

ORIGINAL SIGNED
HK

P. O. Box 25046 - Building 53 - Mail Stop 953

October 8, 1975

Mr. Robert A. Larson
Consulting Geologist
P. O. Box 85
Ouray, Colorado 81427

Subject: OME-6885 (Ag-Au)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Bob:

Enclosed is a copy of an updated Geologic Map of the A-Level of the San Juan Mine, San Miguel County, Colorado. I took the mine workings off Mr. Turner's latest transit survey and adapted the geology to the new survey. There was a prominent steeply dipping structure coming into the vein on the footwall side that looked like it might offset the vein, however there was very little shearing or gouge developed along it, so I don't think it will do too much to the vein.

The vein remains strong from the face near station E, where we last saw it together on May 13th. It will average 2.5 feet in width and assay data shows the vein to contain an average of 0.03 oz. Au, 7.61 oz. Ag, 0.86% Cu, and 0.85% Pb. The last few samples shows the vein to be increasing in copper values from .30 to as high as 1.74%.

Mr. Turner said he would contact you should the footwall structure interrupt the course of the vein.

The San Juan vein has now been explored for a total of 278 feet on the A Level. This includes work completed prior to the advent of OME funds.

Turner's rate of progress should improve as soon as the power is installed on the property especially if the good weather will only hold and he can keep his present crew intact.

Sincerely yours,

J. William Hasler

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

cc: Mr. Kirkemo, Chief

cc: OME-6885
OME chron
Mr. Hasler

FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 18 1975

INITIALS	CODE
HK	

GHG 7/15/75

OPERATOR'S MONTHLY VOUCHER For Month of June 1975

Operator's Name: Charles & Anne Turner d/b/a Hamilton Resources Corporation

Address: Box 3224 HiMar Sta., Boulder, Co. 80303

Docket No. OME: 6885
Contract 14-08-0001: (2313)
Contract Amount: $ 32,940.00
Gov't. Participation: % 75 $ 24,705.00

COST ITEMS (FROM EXHIBIT A)	FOR OPERATOR'S USE: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS	FOR GOVERNMENT USE ONLY: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS
FIXED UNIT COSTS		$		$		$		$
Drifting	36	3,132.00	127	11,049.00	36	3,132.00	127	11,049.00
Supervisor			3	4,500.00			3	4,500.00
Outside Consultant			1	125.00			1	125.00
Transportation/Cons.			210	25.20			210	25.20
Office & Accounting			3	150.00			3	150.00
Payroll taxes, FICA	1	198.00	4	1,330.80	1	198.00	4	1,330.80
TOTAL FIXED UNIT COSTS		3,330.00		17,180.00		3,330.00		17,180.00
ACTUAL COSTS Category 1								
Bulldozing			30	825.00			30	825.00
Category (7) Misc.								
Assaying	7	82.25	20	235.00	7	82.25	20	235.00
TOTAL ACTUAL COSTS		82.25		1,060.00		82.25		1,060.00
TOTALS		$ 3,412.25		$ 18,240.00		$ 3,412.25		$ 18,240.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date June 7, 1975 *Payee HAMILTON RESOURCES CORPORATION
Charles H. Turner
For Charles H. Turner Title President & Treasurer

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature J. William Hasler 7/8/75
OME Field Officer Date

(63) 14X0804

Approved for: $ 2559.19
(SUBJECT TO AUDIT)

Signature FAN
JUL 16 1975
Date

A6040A
Vou. No.

Docket No. OME 6885
Contract 2313

NARRATIVE REPORT

June 1975

The 8-inch mineralized stringer encountered in A3 Drift pinched completely, (see Narrative Report, March 1975), and after mapping and sampling the structures in both A2 and A3 Drifts it was decided to abandon A3, and to return to A2 Drift.

Mineralization and vein structure began to improve almost immediately, and the heading was advanced a distance of 36 feet on a fairly well mineralized quartz-barite vein, carrying values in gold, silver, copper and lead over widths from 14 inches to 36 inches. The last two drift faces exposed 36 inches of vein.

Assays from the last four faces are being awaited.

The project was shut down during April and May due to inaccessibility, and exceptionally heavy inflow of underground water in the mine.

The access road has now been repaired and ballasted, and the underground water has abated to some extent. It is expected that progress will show an improvement during the summer months.

Reported: Chas H. Turner
Charles H. Turner

DENVER, COLORADO, May 6, 1975

Charles H. Turner

Boulder, Colorado

TO ROOT & SIMPSON, INC. DR.

METALLURGICAL CHEMISTS AND ASSAYERS

TELEPHONE 831-7184

P. O. BOX 18329
DENVER, COLORADO 80218

#14, 15, 16	AuAgPbCu	$ 33.00
	Preparation	2.25
	Total	$ 35.25

ROOT & SIMPSON, Inc.

METALLURGICAL CHEMISTS AND ASSAYERS

DENVER, COLORADO 80218

TEL. 831-7184

P. O. BOX 18329

SPECIMEN ASSAY

ASSAYED FOR	MARKS
Charles H. Turner	Rock

GOLD OZS. PER TON	SILVER OZS. PER TON	WET LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	IRON PER CENT	U_3O_8 PER CENT	PER CENT	PER CENT
0.02	0.84	0.30	0.04	#14				
0.02	23.12	0.35	1.45	#15				
0.01	11.29	0.50	1.80	#16				

DATE 5/6/75 CHARGES $ 35.25

Root & Simpson, Inc.

C.D.C.
Associates, Inc.
5401B WESTERN AVE.
BOULDER, COLORADO 80301
303·442·8361

June 17, 1975

C. Tuner
Eldorado Springs

Attention Mr. Turner

Assay Analysis by Atomic Absorbtion

CDC #	Customer Designation	Au oz/t	Ag oz/t	Cu %	Pb %
3666	#17San Juan	0.103	29.2	1.17	0.024
3667	#18San Juan	0.103	3.34	1.35	o.o38
3668	San Juan Dump	o.124	11.4	o.88	o.o76

J. Micheal Connell

Account: 3 samples @ 11.75 = 35.25

OME - #17 & #18 @ 11.75
= $23.50

C.D.C.
Associates, Inc.
5401B WESTERN AVE.
BOULDER, COLORADO 80301
303·442·8361

July 3, 1975

C. H. Turner

Assay by Atomic Absorption

CDC #	Customer Designation	Au oz/t	Ag oz/t
3783	19	0.134	13.12
3784	20	0.157	8.40
3785	Comp Dump	0.111	8.40

	Cu %	Pb %
3783	0.68	0.27
3784	0.66	0.12
3785	0.43	0.20

J. Michael Connell

J. Michael Connell

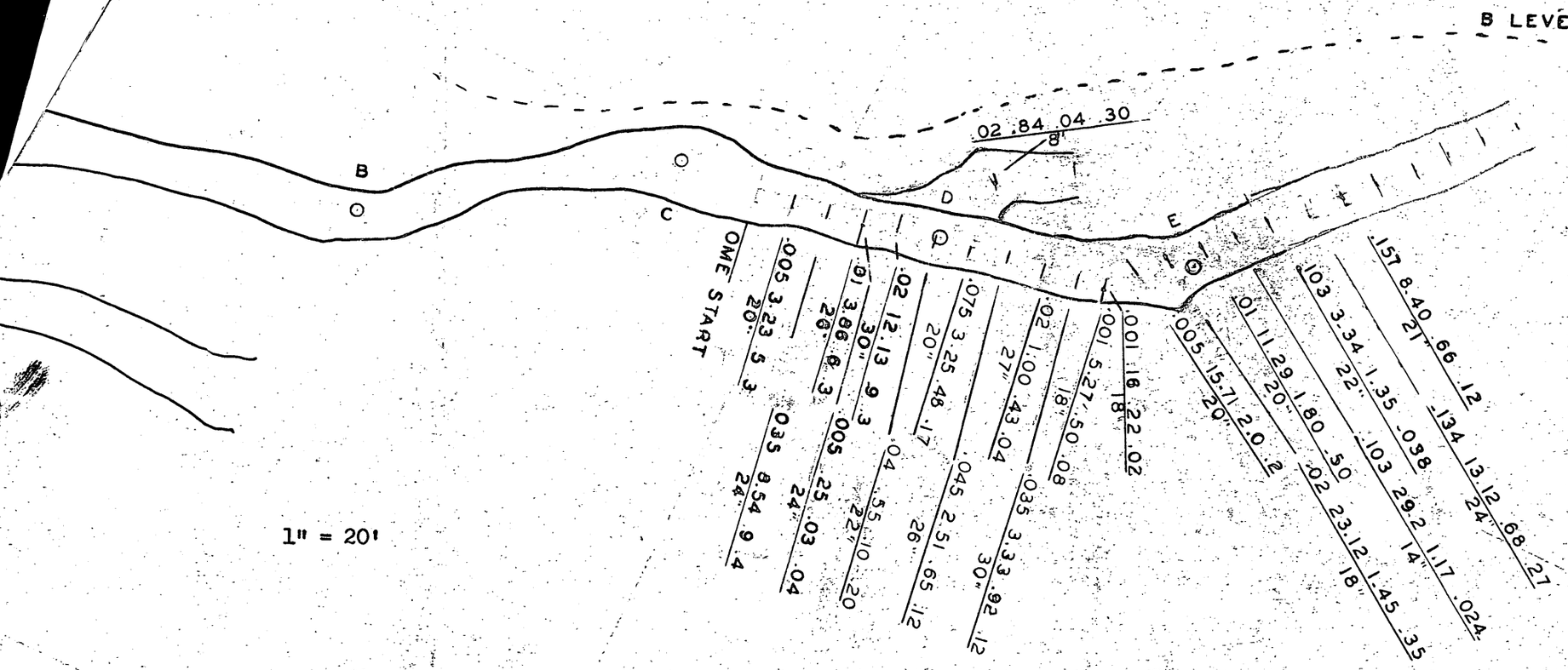
JMC/lb

Account: 3 smps. @ 11.75 = 35.25

OME - #19 & #20 @ 11.75 = $23.50

ASSAY MAP

VALUES SHOWN - AU AG CU PB / INCHES



1" = 20'

SAN JUAN MINE
MATTERHORN, COLO.

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration
Building 53 - Northwest Wing - 2nd floor

July 9, 1975

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 14 1975
INITIALS | CODE

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is an original and two copies of the Operator's Monthly Voucher for June, 1975 with accompanying narrative, maps, assay costs, and determinations, etc., recommended for payment.

J. William Hasler

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

Enclosure

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Building 53 - Northwest Wing - 2nd floor
E-2400

May 27, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is the Government's copy, and the Branch of Financial Management's copy of Amendment No. 1 (one page) to the subject contract signed for the Government and by the Operator.

The Operator retained the Operator's Copy, and I am retaining the Field Office's copy for the Region III files.

J. William Hasler

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

Enclosures

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

May 23, 1975

OME Region III
RECEIVED
MAY 27 1975
Denver, Colorado

Mr. J. William Hasler
Field Officer, Region III
OME, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Hasler:

Enclosed are the original and two copies of proposed Amendment No.1 (one page) to the subject contract, signed for the Operator by its President and Secretary.

Very truly yours,

HAMILTON RESOURCES CORPORATION

Charles H. Turner

Charles H. Turner
President

encls.

Building 53 - Northwest Wing - 2nd floor
E-2400

May 23, 1975

Mr. Charles H. Turner
Hamilton Resources Corporation
P. O. Box 3224 - Hi Mar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel Co., Colorado
Contract 2313

Dear Mr. Turner:

Enclosed are the original and three copies of proposed Amendment No. 1 (one page) to the subject contract, signed for the Government.

If the proposed amendment is satisfactory to you, all four copies should be signed by both you and Mrs. Turner. Retain the "Operator's Copy" for your files and return the other copies to this office.

If any part of the proposed amendment does not have your approval the original and all copies are to be returned to this office together with the proposed changes for consideration.

Sincerely yours,

J. William Hasler

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

cc: Chief, OME
OME-6885
OME chron
Mr. Hasler

United States Department of the Interior

GEOLOGICAL SURVEY
12201 SUNRISE VALLEY DRIVE
RESTON, VIRGINIA 22092

May 21, 1975

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed are the original and three copies of proposed Amendment No. 1 (one page) to the subject contract, signed for the Government. An extra copy of the amendment is also enclosed for Field use.

If the proposed amendment is satisfactory to you and the Operator, all four copies should be signed by Mr. and Mrs. Turner and distributed in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Harold Kirkemo

Harold Kirkemo

Enclosures

cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo

HKirkemo/gpw

United States Department of the Interior

GEOLOGICAL SURVEY
12201 SUNRISE VALLEY DRIVE
RESTON, VIRGINIA 22092

May 21, 1975

Memorandum

To: The File

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313
Justification for Amendment No. 1

The Field Officer, OME Region III, is sending to this office in the next few days a recommendation to extend by six months the completion date for this contract. The Operator and Field Officer had discussed this earlier and had agreed on the period of extension.

The Operator has experienced frustrating delays in pursuing work on this contract. The major problem was the construction of an explosives storage facility to comply with new safety regulations. Scarcity of experienced miners, theft of installed mine timbers, washed out access road, and inadequate sources of supplies have caused delays in the work.

The extension to December 17, 1975, should permit adequate time to complete the contract if present progress can be maintained. I concur in the Field Officer's recommendation to extend the contract.

Harold Kirkemo

Harold Kirkemo

cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo
J. W. Hasler, F.O. R. III

HKirkemo/gpw

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO: Building 53 - Northwest Wing - 2nd floor

E-2400

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 23 1975

INITIALS	CODE
HK	

May 21, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is a request, dated May 20, 1975, from the Operator, that the subject contract be amended to extend the completion date of the contract another six months or until December 17, 1975.

The completion date for work to be done under the contract is June 17, 1975. The operator has been subjected to operational difficulties, caused by a long and severe winter, as well as a critical shortage of competent help, consequently the specified work under the contract could not be completed by June 17, 1975.

I recommend that the contract be amended as requested by the Operator. Work completed to date has been encouraging in that the vein and/or vein zone that is being explored contains considerable mineral content, as described in my interim inspection report dated May 19, 1975.

J. William Hasler

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

Enclosure

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

Mine Office - (303) 728 4139

May 20, 1975

OME Region III
RECEIVED
MAY 21 1975
Denver, Colorado

Mr. J. William Hasler
Field Officer, Region III
OME, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: Docket: OME 6885
Contract 2313
Silver-Gold
San Juan Mine

Dear Mr. Hasler:

Due to operating difficulties caused by an exceptionally long and severe winter, and a critical shortage of competent help, it appears that the above contract will not be completed by June 17, 1975, as specified.

Therefore, we hereby request that the contract be amended to extend the completion date, six months, to December 17, 1975.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Building 53 - Northwest Wing - 2nd floor
E-2400

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 21 1975
INITIALS | CODE
HK | HK

May 19, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

An interim inspection of the subject mine was made by the Field Officer, Region III on May 13 and 14th, 1975, in company with the Operator, Mr. Charles H. Turner and his consulting geologist, Mr. Robert Larson, Ouray, Colorado.

The Operator has driven along the San Juan vein zone in the micrograno-gabbro of the Ophir stock for a distance of 91 feet. Some 16 feet of this footage was used to follow a vein that appeared strong enough to possibly be the main vein, however, in a couple of rounds the vein pinched out and disappeared. The vein in the hanging wall was also followed and it became a stronger vein and widened to as much as two feet and averaged 18 inches in width. This vein also contains very good values, varying from .001 to as much as .075 ounces of gold, and from 0.16 ounces to as much as 23.12 ounces of silver to the ton, in fact the vein over a distance some 70 feet averaged 23 inches in width and averages .021 oz. Au, 6.27 oz. Ag, 0.60% Pb and 0.37% copper, per ton.

The vein is much fractured and shattered for a distance of some 15 to 20 feet, and becomes more of a zone. Several sets of joint fractures in the country rock are coated with pyrite in the stub drift to the north. The joints dip steeply southward and strike nearly east-west. The vein in the present face is 18 inches wide and contains pyrite, galena, chalcopyrite, and tetrahedrite in a gangue of quartz, calcite, and some barite. Because of the shattered nature of the vein zone we may be dealing with a number of steeply dipping veins that intertwine

and may aggregate to form a wider zone, the faulting present does not offset the vein too much. The shattered portion of the vein is as wide as 3 feet and the shattered material contains considerable pyrite and some galena.

During the interim inspection the operator was urged to have enough steel for long hole drilling to test the foot and hanging walls of the main vein for possible splits when advisable. When the vein split before, the Operator did not have enough long hole steel at the mine, as some of it had been stolen. Long-hole drilling is provided under the contract, and should be used. Mr. Turner stated that he will obtain the required steel for long hole drilling and have it available for use when it is needed.

Mr. Turner has obtained the services of Stanley Reed, an experienced miner, who at one time leased the mine and worked in the upper levels. He was to begin work this week.

Mr. Turner was in the act of purchasing a Young Buggy to facilitate the mining operation. Weather at the mine area is now improving and the exploration work should be completed September 15, 1975 barring any additional unforseen operational problems.

The Operator was advised to request that the contract be amended to allow a completion date of December 17, 1975, as the termination date. The contract termination date is now June 17, 1975. A six months extension date from June 17, 1975 certainly should be sufficient time in which to complete the contract work. I am expecting that the Operator's request for an amendment to the contract will arrive within the next few days.

J. William Hasler

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

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

May 20, 1975

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. & Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juna Mine
San Miguel County, Colorado
Contract 2313

The four vouchers processed to date on this contract have not separated Cost Items into Fixed Unit Costs and Actual Costs as set forth under Estimated Costs of the Project, in Exhibit A of the Contract. In order to avoid a lengthy revision of the final voucher at the end of this contract, please ask the Operator to compile on his next voucher all items and costs under the two headings - Fixed Unit Costs and Actual Costs.

Harold Kirkemo

DRF
OME Rdg.
MR Rdg.
OME Files
Mr. Kirkemo

HKirkemo/gpw

FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OFFICIAL COPY
O. M. E.
RECEIVED
APR 28 1975
INITIALS CODE
HK

N
HK
4/24/75

OPERATOR'S MONTHLY VOUCHER

For Month of March 1975

Operator's Name: Charles & Anne Turner d/b/a Hamilton Resources Corporation

Address: Box 3224 HiMar Sta., Boulder, Co. 80303

Docket No. OME- 6885
Contract 14-08-000 2313
Contract Amount $ 32,940.00
Govt. Participation % 75 $ 24,705.00

COST ITEMS (FROM EXHIBIT A)	FOR OPERATOR'S USE: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS	FOR GOVERNMENT USE ONLY: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS
Bulldozing		$	30	$ 825.00		$	30	$ 825.00
Drifting	42	3,654.00	91	7,917.00	42	3,654.00	91	7,917.00
Supervision	1	1,500.00	3	4,500.00	1	1,500.00	3	4,500.00
Office & Accounting	1	50.00	3	150.00	1	50.00	3	150.00
Assaying	8	94.00	13	152.75	8	94.00	13	152.75
Payroll taxes, etc.	1	369.15	3	1,132.80	1	369.15	3	1,132.80
(1/ See other side)	1	397.05			1	397.05		
Outside Consultant	1	125.00	1	125.00	1	125.00	1	125.00
Transportation /Consultant	210	25.20	210	25.20	210	25.20	210	25.20
		6214.40	HK			6214.40	HK	
TOTALS		$ 5,817.35		$ 14,827.75		$ ~~5,817.35~~		$ 14,827.75

I certify that the above bill is correct and just and that payment therefor has not been received.

Date April 16, 1975 Payee Hamilton Resources Corporation
Charles H. Turner

Per Charles H. Turner Title President & Treasurer

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature J. William Hasler 4/18/75
OME Field Officer Date

(63) 14X0804

Approved for: $ 4660.80
(SUBJECT TO AUDIT)

Signature FAN

Date MAY 01 1975 Vou. No. R 5188 A

FOR OPERATOR'S USE

REMARKS

Payroll taxes, etc.

The amount totalling $386.25, disallowed on the January 1975 Operator's Monthly Voucher, should have been $397.05 as shown on January monthly time sheet enclosed.

Enclosed is the Administrative Suspension Statement covering the above disallowed amount.

Total Payroll taxes, etc. are:

December '74	366.60
January '75	397.05
March '75	369.15
	$1,132.80

BRANCH OF FINANCIAL MANAGEMENT
APR 2 - 1975
RECEIVED
FISCAL ACCOUNTS

BRANCH OF FINANCIAL MANAGEMENT
APR 24 1975
RECEIVED
FISCAL ACCOUNTS

FOR GOVERNMENT USE

REMARKS

1) Operator claimed $369.15
Allow an additional 397.05
Total allowance 766.20

Operator and Field Officer failed to include the amount of payroll taxes for January 1975. Amount withheld for this purpose from January voucher was in error, and has been recalculated by the Operator under Remarks.

H. Kinkamo
4/24/75

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Field Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee:

Charles & Anne Turner
Hamilton Resourses Corp
Box 3224 HiMar Sta
Bouler, CO 80303

Amount Claimed:	Differences (Explained Below)	Amount Approved
$5,817.35	$397.05	$6,214.40 4,660.80 Govt Part 75%
Bu. Voucher No.	**Payee's Invoice No.**	**Period**
	OME 6885 Contract#2313	March, 1975

EXPLANATION

1. Operator Claimed	$369.15	
Allow an additional	397.05	
Total	$766.20	

Operator and Field Officer failed to include the amount of payroll taxes for January, 1975. Amount withheld for this purpose from January voucher was in error, and has been recalculated by the operator.

Any reclaim for items deducted must be included as a separate item on subsequent monthly voucher and supported by the original of this statement.

Branch of Budget and Finance

Docket No. OME 6885
Contract 2313

NARRATIVE REPORT

March 1975

A2 Drift was turned slightly in a north easterly direction, to follow a 20-inch, sparsely mineralized vein structure, which returned an assay of - Gold .005 oz., Silver 15.71 oz., Copper 2.0% and Lead 0.2%. (see Assay map).

The heading was then advanced an additional 15 feet. However, the structure pinched and the drift was stopped, at a total footage of 21 feet for the period.

A survey then revealed that, although the drift appeared to be more or less parallel to the strike of the B Level vein, it was located approximately 15 feet south-easterly of the projected B vein at A Level, assuming an average dip of 75 to 85 degrees. (see Geologic map).

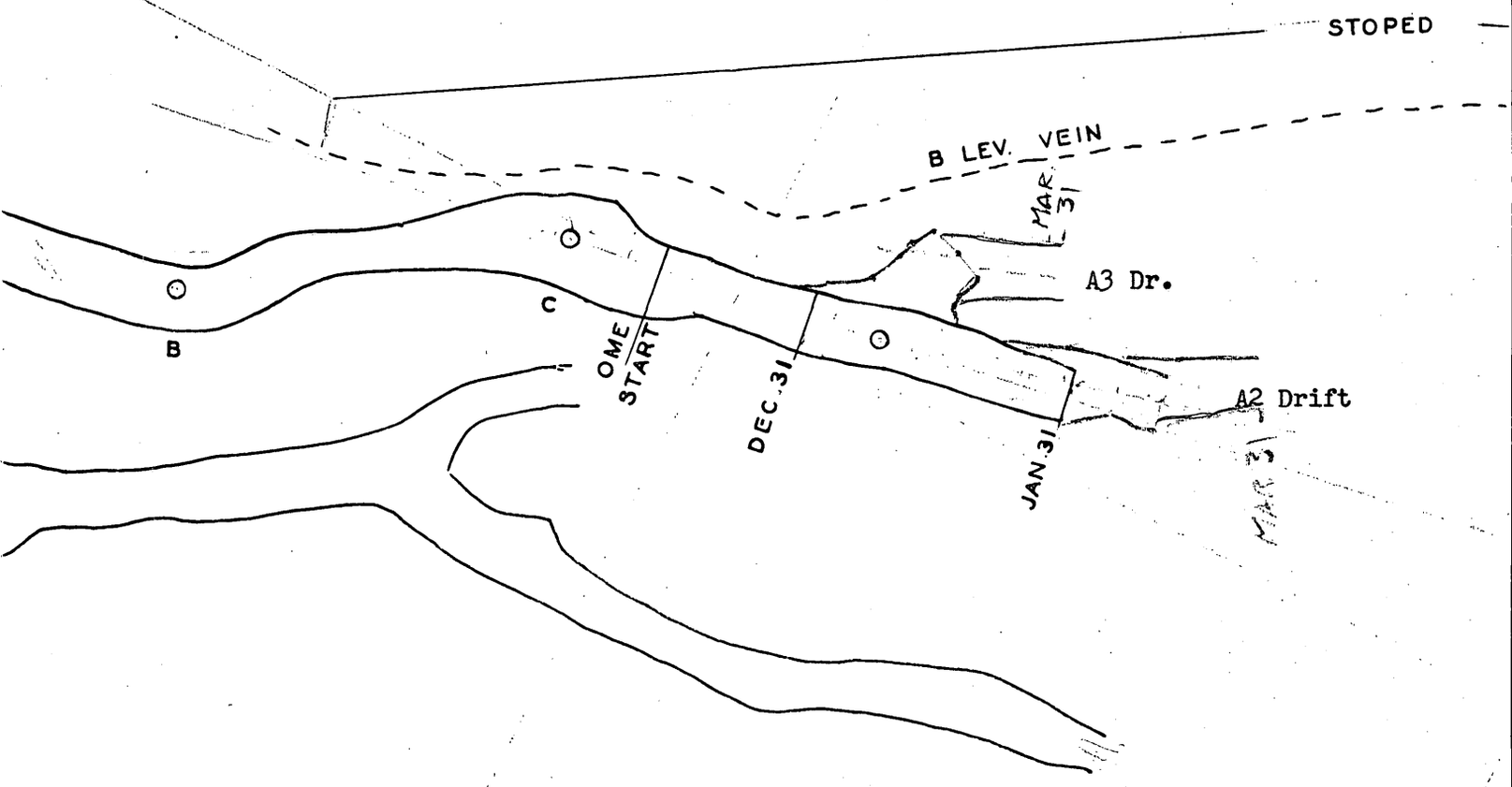
A3 Drift was then started in the footwall, at a point approximately 25 feet easterly from the OME starting point. At a distance of 7 feet from the start of A3 Drift an 8-inch stringer of heavy pyritic mineralization was encountered. This stringer appeared to be following the projected B Level vein strike, and the drift was advanced a total of 21 feet, of which 14 feet followed the stringer. (see Geologic map).

It is proposed to continue advancing on the stringer.

The project has been delayed principally by severe winter weather, and by lack of competent help.

Reported: Chas H Turner
Charles H. Turner

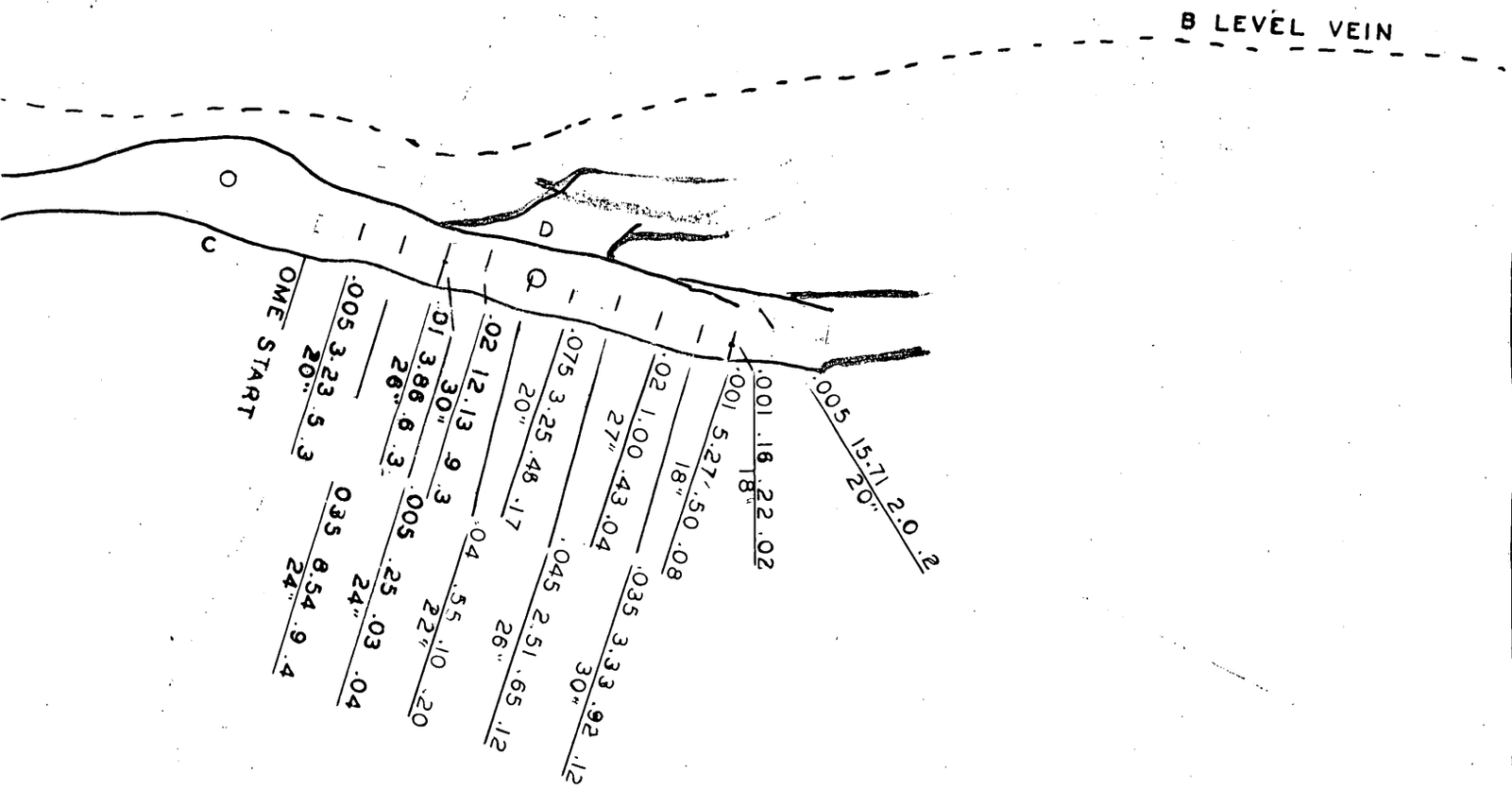
PROGRESS MAP



SAN JUAN MINE
MATTERHORN, COLO.
1" = 20'

ASSAY MAP

VALUES SHOWN - AU AG CU PB / INCHES



SAN JUAN MINE
MATTERHORN, COLO.
1" = 20'

ROOT & SIMPSON, INC.
METALLURGICAL CHEMISTS AND ASSAYERS
PHONE (303) 831-7154 DENVER, COLORADO 80218
ADDRESS P.O. BOX 18329

ESTABLISHED 1902

CARL H. ROSS
PRESIDENT AND TREASURER

March 24, 1975

Assayed for: Hamilton Resources

Lot No.	Oz. Gold per ton	Oz. Silver per ton	Lead Percent	Copper Percent
#6	0.04	0.55	0.20	0.10
#7	0.075	3.25	0.17	0.48
#8	0.045	2.51	0.12	0.65
#9	0.02	1.00	0.04	0.43
#10	0.035	3.33	0.12	0.92
#11	0.001	0.16	0.02	0.22
#12	0.001	5.27	0.08	0.50
#13	0.005	15.71	0.20	2.0

Charges: $ 44.00

Pay gpt
4/18/75

DENVER, COLORADO. March 24, 1975

Hamilton Resources

Golden, Colorado

TO ROOT & SIMPSON, INC. DR.

METALLURGICAL CHEMISTS AND ASSAYERS

TELEPHONE 831-7184

P. O. BOX 18329
DENVER, COLORADO 80218

#6 thru #13 AuAgPbCu $ 94.00

4/18/75

MONADNOCK MINERAL SERVICES

Robert A. & Pamela J. Larson
P.O. Box 85
Ouray, CO 81427

TO: Hamilton Resources Corporation
P.O. Box 3224 HiMar Station
Boulder, CO 80303

3/19/75

DATE	ITEM	AMOUNT
3/17/75	Geological Mapping - San Juan Mine	$125.00
	Mileage - 210 miles @ 12¢/mile	25.20
	TOTAL	$150.20

Okay [illegible]
4/18/75

Hamilton Resources Corp.

MONTHLY TIME SHEET

Month June 1975

Name	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	Tot. Hrs.	Rate	Wages
Stanley Reed			8	8	8	8	8		8	8	9	7	8			7	8	9	8	8				8	8	8	8	8				160	4.00	640.00
R. Browning			8	8	8	8	8		8	9	7	8	7		6		8	9	8	8				8	8	8	4	8		8		162	4.00	648.00
P. D. Turner																														8		8	4.00	32.00

TOTAL WAGES 1320.00

@ 15%

$198.00

Resources Corp.

MONTHLY TIME SHEET

Month January 1975

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	Tot. Hrs.	Rate	Wages	
ner		6	6	9	9	4	4	4	4	4	2			8	8	8	8	8		8	6	8	10	8			8						140	4.00	560	00
organ		3	6	6	11					4	2			5	8	6	8	8		6		8	10	8	8		6	4					117	4.00	468	00
ilken														7		3	8	8		8													34	3.50	119	00
risor																																1 Mo.	1500.00	1,500	00
																																TOTAL WAGES		2647	00

× 15 %

$397.05

Kay Gutt
4/18/75

Hamilton Resources Corp.

MONTHLY TIME SHEET

Month March 1975

Name	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	Tot. Hrs.	Rate	Wages
																																31	4.00	124.00
C R Turner	4	3	8	4										4	8		4	5	8	8	6		4	6	8	4	2				8	71	4.50	319.50
D M Velasquez	4		8	5		7																										24	3.50	84.00
Wm S Rich			8	8			8	2																								26	4.00	104.00
M [illegible]ewis			8	8			8	2																								26	3.75	97.50
M E Gaston																			8	8	8		4	6	8	6	2				8	58	4.00	232.00
Supervisor																															1 Mo.			1500.00

TOTAL WAGES 2461.00

× 15%

$369.15

Gay [illegible]
4/18/75

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

April 16, 1975

Mr. J. William Hasler
Field Officer, Region III
OME, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Hamilton Resources Corp.
San Juan Mine

Dear Mr. Hasler:

I am enclosing the original and three copies of the following:

1. Monthly Voucher for March 1975.
2. Operator's Narrative Report.
3. Invoice from Root & Simpson, Assayers.
4. Statement from R. A. Larson, Geologist.
5. Assay map (to March 31).
6. Progress map (to March 31).
7. Geologic map.
8. Monthly Time Sheet for January 1975.
9. Monthly Time Sheet for March 1975.

Also enclosed, original Administrative Suspension Statement, covering claim for Payroll taxes, etc., in amount of $386.25.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

encls.

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Building 53 - Northwest Wing - 2nd floor
E-2400

April 18, 1975

OFFICIAL COPY
O. M. E.
RECEIVED
APR 23 1975

INITIALS	CODE
HK	HK

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is an original and two copies of the Operator's Monthly Voucher for March 1975 with an accompanying narrative report, maps, assay results, assay costs and consulting geologist's statement.

I recommend payment for the costs incurred during March. An administrative suspension statement for disallowed costs during January, is enclosed, the amount is being reclaimed for payment with accompanying monthly time sheets for January as well as for March 1975. Total amounts claimed for payroll taxes, etc. is reflected in the total costs claimed to date.

J. William Hasler

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

Enclosures

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

April 16, 1975

Mr. J. William Hasler
Field Officer, Region III
OME, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Hamilton Resources Corp.
San Juan Mine

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2. Operator's Narrative Report.
3. Invoice from Root & Simpson, Assayers.
4. Statement from R. A. Larson, Geologist.
5. Assay map (to March 31).
6. Progress map (to March 31).
7. Geologic map.
8. Monthly Time Sheet for January 1975.
9. Monthly Time Sheet for March 1975.

Also enclosed, original Administrative Suspension Statement, covering claim for Payroll taxes, etc., in amount of $386.25.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

encls.

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HiMar Station Boulder, Colorado 80303 (303) 499-3330

Feb. 15, 1975

FILED
FEB 20 1975
Denver, Colorado

Mr. J. William Hasler
Field Officer, Region III
O M E, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Hamilton Resources Corp.
San Juan Mine

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 5 1975

INITIALS	CODE
HK	

Dear Mr. Hasler:

I am enclosing the original and three copies of the following:

1. Monthly Voucher Form 9-1648, for January 1975.
2. Operator's Narrative Report.
3. Invoice from Root & Simpson, Inc., Assayers.
4. Assay Report re drifting done in December, 1974.
5. Sketch map showing drifting in January, 1975.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

encls.

FORM 9-1648
MARCH 1968

HK 2/28/75

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OPERATOR'S MONTHLY VOUCHER

For Month of January 1975

Operator's Name: Charles & Anne Turner d/b/a Hamilton Resources Corporation

Address: Box 3224 HiMar Sta., Boulder, Colo. 80303

Docket No. OME- 6885

Contract 14-08-0001 2313

Contract Amount $ 32,940.00

Gov't. Participation % 75 $ 24,705.00

COST ITEMS (FROM EXHIBIT A)	FOR OPERATOR'S USE: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS	FOR GOVERNMENT USE ONLY: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS
Bulldozing		$	30	$ 825.00	–	$ –	30	$ 825.00
Drifting	31	2697.00	49	4263.00	31	2,697.00	49	4,263.00
Supervision	1	1500.00	2	3000.00	1	1,500.00	2	3,000.00
Office & Accounting	1	50.00	2	100.00	1	50.00	2	100.00
Assaying	5	58.75	5	58.75	5	58.75	5	58.75
Payroll taxes, etc.	1/3	386.25	2/3	752.85	0 ~~1/3~~	0 ~~386.25~~	1/3 ~~2/3~~	366.60 ~~752.85~~
						4305.75		8613.35
TOTALS		$ 4692.00		$ 8999.60		~~$4,692.00~~		$ ~~8,999.60~~

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Feb. 14, 1975 *Payee Hamilton Resources Corporation

Per Charles H. Turner Title President & Treasurer

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature J. William Healer OME Field Officer Date 2/21/75

(63) 14X0804

Approved for: $ 322931 (SUBJECT TO AUDIT)

Signature FAV

Date MAR 04 1975 Vou. No. 05932A

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS
	1) Operator claimed $386.25 Allow 0 Disallow $386.25 Supporting data to be submitted. Supported amount may be claimed on later voucher. H. Kirkemo 2/28/75

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Field Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

Docket No. OME 6885
Contract 2313

NARRATIVE REPORT

January 1975

Drifting:

A2 Drift was advanced a distance of 31 feet, for the most part on a water-stained and fractured quartz vein, having an average width of 20 inches, and containing varying amounts of mineralization.

However, the last 10 feet of advance showed a distinct improvement, inasmuch as the vein width increased to an approximate average of 28 inches, and the fracturing and water-stain largely disappeared. In addition, the mineralization appeared to become more abundant as the heading advanced.

The vein material has been separated from the foot wall host rock by 2 to 4 inches of gouge. The host rock appears to be typical of the immediate area, ie- locally called diorite-monzonite. To date, this has been fairly hard, containing many fractures and aparse pyritic mineralization.

The vein, which has maintained an easterly trend, is gradually turning to the northeast to conform to the north-easterly bearing of the old mined workings in B Level, directly above.

Caving drill holes, caused by the nature of the ground, have resulted in an excess of time required to complete the drilling-mucking cycle. It is expected that the improved structure now being exposed will largely eliminate this problem.

Other serious delays have been caused by unreliable labor, and the severe winter storms and sub-zero temperatures.

Reported: Chas H Fraser

DENVER, COLORADO. Feb. 10, 1975

Hamilton Resources Corp.

Telluride, Colo.

TO ROOT & SIMPSON, INC. DR.

METALLURGICAL CHEMISTS AND ASSAYERS

TELEPHONE 831-7184

P. O. BOX 18329
DENVER, COLORADO 80218

Samples 1-5 Au, Pb, Cu Au/Ag pb cu $58.75 ok JWH

S

ROOT & SIMPSON, Inc.

TEL. 831-7184

METALLURGICAL CHEMISTS AND ASSAYERS

DENVER, COLORADO 80218

P. O. BOX 18329

SPECIMEN ASSAY

ASSAYED FOR	MARKS
Hamilton Resources Corp.	

GOLD OZS. PER TON	SILVER OZS. PER TON	WET LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	IRON PER CENT	U_3O_8 PER CENT	PER CENT	PER CENT
0.005	3.23	0.3	0.5	Sample 1				
0.035	8.54	0.4	0.9	Sample 2				
0.010	3.86	0.3	0.6	Sample 3				
0.005	0.25	0.04	0.03	Sample 4				
0.020	12.13	0.3	0.9	Sample 5				

DATE 2/10/75 CHARGES $ 58.75

Root & Simpson, Inc.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee:
Charles & Anne Turner
Hamilton Resourses Corp
Box 3224 HiMar Sta
Boulder, Colo 80303

Amount Claimed:	Differences (Explained Below)	Amount Approved
$4.692.00	$386.25	$4,305.75 3,229.31 Govt Part.75%
Bu. Voucher No.	**Payee's Invoice No.**	**Period**
	OME 6885 Contract# 2313	January, 1975

EXPLANATION

1. Claimed $386.25
   Allow - 0 -
   Disallow $386.25 Supporting data to be submitted. Supported amount may be claimed on later voucher.

Any reclaim for items deducted must be included as a separate item on subsequent monthly voucher and supported by the original of this statement.

Branch of Budget and Finance

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration
Building 53 - Northwest Wing - 2nd floor

OFFICIAL COPY
O. M. E.
RECEIVED
2 27 1975

INITIALS	CODE

February 21, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is an original and two copies of the Operator's Monthly Voucher for January, 1975 with accompanying narrative, map, assay cost, and determinations, recommended for payment.

J. William Hasler

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

Enclosure

FROM THE DESK OF

Charles H. Turner

2-15-75

Bill:

Sorry these are late. I have been snowed-in for almost a week. Almost got opened-up to-day, but it is starting to snow again.

Hope to have the assay map ready when the next batch of results arrive.

The enclosed assays from the December work are from successive faces. No.4 follows No.3 from the hangingwall side of the vein. The vein assays were better than expected, since it hadn't made the expected turn under the stope above. January samples look better.

I have located a second crew, and hope to speed the work if we ever get out of these snow banks.

When the snow stops, and the road to the portal is open, I'll give you a call by phone. Will try to give you a few days notice.

Don't give up hope.

Chas

Office Region IV
RECEIVED
FEB 20 1975
Denver, Colorado

FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 23 1975
INITIALS CODE
HK

HK 1/14/75

OPERATOR'S MONTHLY VOUCHER

For Month of December, 1974

Docket No. OME- 6885

Contract 14-08-0001 (2313)

Contract Amount $32,940

Gov't. Participation %75 $24,705

Operator's Name: Charles H. and Anne Turner d/b/a HAMILTON RESOURCES CORPORATION

Address: Box 3224 Elmar Sta., Boulder, Colorado

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
Drifting	18	$1566.00	18	$1566.00	18	$1,566.00	18	$1,566.00
Supervisor	1	1500.00	1	1500.00	1	1,500.00	1	1,500.00
Office & Acc'tg	1	50.00	1	50.00	1	50.00	1	50.00
Payroll taxes, etc.	1/3	366.60	1/3	366.60	1/3 1/	366.60	1/3	366.60 1/
Bulldozing	--	--------	30	825.00	—	—	30	825.00
TOTALS		$ 3482.60		$ 4307.60		$3,482.60		$ 4,307.60

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Jan. 6, 1975 *Payee HAMILTON RESOURCES CORP.

For Charles H. Turner Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature J. William Hasler OME Field Officer Date 1/13/75

(63) 14X0804

Approved for: $ 2,611.95 (SUBJECT TO AUDIT)

Signature FAN

Date JAN 17 1975 Vou. No. 05706A

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS
Approximately 4 months of "dead work" was required, as follows:	1 Payroll taxes Bonus etc Operator's 1/3 is for 1/3 of time allocated on 1 month of a 3 month contract. Dec. 1934
1 - The supporting timbers in the portal area had been stolen, and it was necessary to do considerable rehabilitation work, and completely re-timber the portal.	Morgan $516.00 Chas R. Taussen 428.00 Superintendent 1,500.00 2,444.00
2 - Compliance with new Bureau of Mines regulations, regarding safety and explosives storage, required many shifts of work.	15% of 2,444.00 = $366.60
3 - Short supply of suitable manpower, together with inadequate sources of supplies, etc., were a serious handicap.	
Although a number of severe winter storms were experienced, the dead work was completed by the end of November, and December was devoted to installation of a diesel power plant, pipe lines, vent. system, etc., and a start was made on the drifting.	
Samples are being prepared and sent for assay.	
It is felt that the major handicaps have now been overcome, and a good crew is on the job.	

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of two parts.

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SECOND, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Field Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

INDIVIDUAL PAYROLL RECORD FOR YEAR ENDING Dec. 31 1914

NAME OF EMPLOYEE Charles R. Turner PHONE MARRIED ☑

ADDRESS Boulder CITY Colo. DATE OF BIRTH SINGLE ☐

SOCIAL SECURITY NO. 530 | 28 | 2370

NUMBER OF EXEMPTIONS 0

THE IDEAL SYSTEM. COPYRIGHT U S PAT OFFICE

IDEAL SYSTEM - FORM 2905

1	2							3		4		5	6	7	8	9	10	11	12	13	14	15		
WEEK ENDING	HOURS WORKED PER DAY							TOTAL HOURS WORKED		RATE	PER HR. DAY WK. UNIT	REGULAR TIME EARNINGS	OVERTIME EARNINGS	OTHER COMPENSATION	TOTAL EARNINGS (A)	DEDUCTIONS FROM EMPLOYEE'S EARNINGS						NET AMOUNT PAID EMPLOYEE (COL A LESS COL. B)	CHECK NO	
MO. DAY	SUN	MON	TUE	WED	THU	FRI	SAT	REG. TIME	OVER-TIME							STATE UNEMP. INS. AT ___ %	FEDERAL OLD AGE AT ___ %	FEDERAL WITHHOLDING TAXES	OTHER WITHHOLDING TAXES	OTHER DEDUCTIONS	TOTAL DEDUCTIONS (B)			
																								1
																								2
																								3
																								4
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																								12
TOTAL THIRD QUARTER																								13
																								14
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																								18
																								19
																								20
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1 23			8	8	8	8	32			4 00		128 00			128 00		9 49	18 10	3 34		- 28 93	99 07	160	22
30		8	8	8		4	8 36			4 00		144 00			144 00		8 42	20 50	3 96		- 32 82	111 18	164	23
2 7	8	8	8	8	8			40		4 00		160 00			160 00	Dec	9 36	24 10	4 78		- 38 24	121 76	167	24
14	5	6	8	3	7	6	5 40			4 00		160 00			160 00	1917	9 36	24 10	4 78		- 38 24	121 76	171	25
21				6	6	6	18			4 00		72 00			72 00		4 21	9 40	1 62		- 15 23	56 77	176	26
28		5	4					4		4 00		36 00			36 00		2 11	3 60	74		- 6 45	29 55	180	27
TOTAL FOURTH QUARTER																								28
TOTAL FIRST QUARTER																								29
TOTAL SECOND QUARTER																								30

IDEAL SYSTEM
REG. U. S. PAT. OFFICE
PUBLISHED BY
THE IDEAL SYSTEM CO. LOS ANGELES

INDIVIDUAL PAYROLL RECORD FOR YEAR ENDING Dec. 31 1994

SOCIAL SECURITY NO. 529 24 8959

NAME OF EMPLOYEE Robert Lewis Morgan PHONE MARRIED ☐

ADDRESS 250 N. Broadway CITY Tooele Utah DATE OF BIRTH SINGLE ☑

NUMBER OF EXEMPTIONS 1

THE IDEAL SYSTEM · COPYRIGHT U.S. PAT. OFFICE

IDEAL SYSTEM · FORM 2905

1	2							3		4		5		6		7		8		9		10		11		12		13		14		15			
WEEK ENDING		HOURS WORKED PER DAY						TOTAL HOURS WORKED		RATE		PER HR. DAY WK. UNIT	REGULAR TIME EARNINGS		OVERTIME EARNINGS		OTHER COMPENSATION	TOTAL EARNINGS (A)		DEDUCTIONS FROM EMPLOYEE'S EARNINGS												NET AMOUNT PAID EMPLOYEE (COL A LESS COL. B)		CHECK NO	
MO.	DAY	SUN	MON	TUE	WED	THU	FRI	SAT	REG. TIME	OVER-TIME										STATE UNEMP INS AT ___ %		FEDERAL OLD AGE AT ___ %		FEDERAL WITHHOLDING TAXES		OTHER WITHHOLDING TAXES State		OTHER DEDUCTIONS		TOTAL DEDUCTIONS (B)					
TOTAL THIRD QUARTER																																			
10	12		7	7	3				17		4	00	68	00				68	00			3	98	7	00	1	11	Dec		12	09	55	91	132	
	15																																		
	26	7	7	7	7	4	4		36				144	00				144	00			8	42	21	80	3	36	Dec		33	58	110	42	138	
11	2																																		
			8	7	8	8	8		39		4	00	156	00				156	00			9	13	24	50	3	82			37	45	118	55	146	
	16		4	4	4	7	8	6	33		4	00	132	00				132	00			7	72	19	70	3	01			30	43	101	57	155	
	23		4	7	8		8	8	35		4	00	140	00				140	00			8	19	21	80	3	36			33	35	106	65	158	
	30		8	8	8		4	8	36		4	00	144	00				144	00			8	42	21	80	3	36			33	58	110	42	165	
12	7	8	8	8	8	8			40		4	00	160	00				160	00	Dec		9	36	26	60	4	20			40	16	119	84	166	
	14	5		8	9	7	6	5	40		4	00	160	00				160	00	1994		9	36	26	60	4	20			40	16	119	84	170	
	21		8	3	5	3	6	6	31		4	00	124	00				124	00			7	25	17	60	2	66			27	51	96	49	177	
	28		5	4			4	5	18		4	00	72	00				72	00			4	21	7	30	1	21			12	72	59	28	181	
TOTAL FOURTH QUARTER																																			
TOTAL FIRST QUARTER																																			
TOTAL SECOND QUARTER																																			
TOTAL THIRD QUARTER																																			

IDEAL SYSTEM
REG. U. S. PAT. OFFICE
THE IDEAL SYSTEM CO., LOS ANGELES
PUBLISHED BY

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

✓ HK 8/20/74

OPERATOR'S MONTHLY VOUCHER For Month of July 1974

Docket No. OME- 6885
Contract 14-08-0001 2313
Contract Amount $ 32,940
Gov't. Participation % 75 $24,705

Operator's Name Charles H. and Anne Turner, d/b/a Hamilton Resources Corporation
Address P.O.Box 3224, HiMar Sta., Boulder, Colo. 80303

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
Bulldozing D-7	30	$ 825.00	30	$ 825.00	30	$825.00	30	$ 825.00
TOTALS		$ 825.00		$ 825.00		$825.00		$ 825.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Aug.8, 1974 *Payee Hamilton Resources Corp.

Per Charles H. Turner Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature J. William Naylor OME Field Officer Date 8/14/74

(63) 14X0804

Approved for: $618.75
(SUBJECT TO AUDIT)

Signature

Date 8/26/74 Vou. No. 05195A

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS
A minimum of 250 feet of 35-foot wide right-of-way was cleared of trees, cutting and filling were carried out where necessary, earth ballast was hauled to the site, and spread, and the whole was graded and drained, to result in a good access road to the main mine portal. The work was done with a D-7 Caterpillar bulldozer. The work was impeded by heavy rains, and it was necessary to repeat the finish grading. The surface has now been compacted by use and the road is in excellent condition.	

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Field Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

FA[illegible]MER CONST. CO.

PLACERVILLE, COLO.

No. 4352

DATE	7/15/74
CUSTOMER'S ORDER	
SALESMAN	
TERMS	
F. O. B.	
VIA	

Sold To HAMILTON RESOURCES CORP.
SAN JUAN MINE
SAN MIGUEL COUNTY, COLORADO

Shipped To

Address

	ROAD CONSTRUCTION 30 HRS – D7 CAT @ $27.50			825	00

7H 736 Rediform

INVOICE

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HiMar Station Boulder, Colorado 80303 (303) 499-3330

August 9, 1974

Mr. J. William Hasler
Field Officer, Region III
O M E, USGS
Denver Federal Center, Bldg. 53, Room 28
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Hamilton Resources Corp.
San Juan Mine

Dear Mr. Hasler:

I am enclosing herewith an original and three copies of Operator's Monthly Voucher Form 9-1648, covering work completed during August 1974, together with the original invoice from the Contractor.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner
President

encls.

United States Department of the Interior
GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration
Bldg. 53 Room 28

August 14, 1974

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME 6885 (Silver-Gold)
Charles H. Turner and Anna Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith are an original and two copies of the Operator's Monthly Voucher for the month of July, 1974 with accompanying data substantiating the bulldozer work completed during that period. The Operator's narrative is short and written on the reverse side of the voucher under "Operator's Remarks." This much narrative is adequate for the amount of work completed.

The costs are in order and payment is recommended.

The operator is having difficulty receiving equipment ordered. Also, there have been frequent rains that have slowed his progress, especially during the bulldozing of the access road.

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

Enclosures

cc: OME 2313
Chron
Hasler

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

August 9, 1974

Mr. J. William Hasler
Field Officer, Region III
O M E, USGS
Denver Federal Center, Bldg. 53, Room 28
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Hamilton Resources Corp.
San Juan Mine

Dear Mr. Hasler:

I am enclosing herewith an original and three copies of Operator's Monthly Voucher Form 9-1648, covering work completed during August 1974, together with the original invoice from the Contractor.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner
President

encls.

United States Department of the Interior
GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration
Building 53 Room 28

July 12, 1974

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Ag-Au)
C. H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2312

Enclosed is a letter from the Operator on the subject contract informing this office that work was begun under the terms of the contract on July 3, 1974, consisting of bulldozing the access road to the San Juan Mine portal.

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

Enclosure

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HiMar Station Boulder, Colorado 80303 (303) 499-3330

July 9, 1974

RECEIVED
JUL 12 1974
Denver, Colorado

Mr. J. William Hasler
Field Officer, Region III
O M E, USGS
Denver Federal Center, Bldg.53, Room 28
Denver, Colorado 80225

Re: OME-6885 (Silver-Gold), Contract 2313
Charles H. Turner and
Anne Z. Turner
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

This is to advise that work was started, under the above Contract, on July 3, 1974.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner
President

MME Form 14
July 1965

Contract No. Idm-E 14-23) 2313

Docket No. DMEA MME) 4983

Date of Action June 17, 1974

Approved contract

DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

OBLIGATION DOCUMENT

To: Chief, Branch of Budget & Finance

From: Chief, Office of Minerals Exploration

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:
Charles E. Turner and Anne Z. Turner d/b/a
Hamilton Resources Corporation
P.O. Box 3224
Mt Mar Station, Boulder, Colorado 80303

Date of Contract	Region	State	Commodity
June 17, 1974	III	Colorado	Silver-Gold
	Reserve		Obligation
Prior Amount	0		0
Increase	24,703.00		0
Decrease	0		0
Revised Amount	24,703.00		0

Remarks: 9-3/4% interest

cc: 110
800
210

June 14, 1974

N
Memorandum

To: The Files

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Pursuant to the National Environmental Policy Act, as amended (83 Stat. 852; 42 U.S.C. 4321 et seq.) and Executive Order No. 11514, 35 F.R. 4247 (1970) we have considered the work to be done under the above contract in the light of its probable affect upon the environment, and have concluded approval of the contract is not a major Federal action significantly affecting the quality of the human environment. Consequently, an environmental impact statement as required by section 102 of the Act (42 U.S.C. §4332) is not required.

Harold Kirkemo
Chief, Office of Minerals Exploration

cc:
DRF MR Rdg.
OME Rdg. OME Files
Mr. Kirkemo
HKirkemo/gpw

United States Department of the Interior
GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration
Building 53 Room 28

June 5, 1974

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Enclosed herewith is a revised estimated cost breakdown for the proposed contract pursuant to our telephone conversation Tuesday, June 4th. The costs are those I gave you on the telephone today, after having conferred with Mr. Turner in my office.

You indicated that our share at 75% participation would total $24,700.00, or a total estimated cost of $32,933.00, consequently I proposed only 250 feet of drifting so as to include some long hole drilling to test the footwall and the hanging wall for possible splits in the vein or any parallel structures. The Applicant also thought it wise to include prices for lead assays as well as for gold, silver and copper.

Even though the maximum footage of proposed drifting is reduced, the three month time in which to complete the work should remain the same and as you suggested allow a year from the date of the contract in which to complete the proposed exploration work, due to probable breakdowns or other delays that are inherent in mine exploration, projects at high elevations in the Rocky Mountains.

J. William Hasler

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

Estimated Costs of the Work

Fixed Unit Costs 1/ 2/

Drifting, including timbering, 250 feet at $87.00/ft	$21,750.00	
Long-Hole Drilling 800 feet at $1.50/ft	$1,200.00	
Supervision, 3 months at $1,500.00 per month	$4,500.00	
Outside Consultant, 3 days at $125.00	$375.00	
Per Diem, consultant, 3 days at $25.00	$75.00	
Transportation for consultant 2,167 miles at 0.12¢/mile	$260.00	
Office, Reporting and Accounting 3 months at $50.00/month	$150.00	
Payroll taxes 15% of $13,050.00	$1,958.00	
	$30,268.00	$30,268.00

Actual Costs

Bulldozing, D-7 caterpillar 30 hours at $27.50/hr.	$825.00	
	1762	
Assaying and sampling		
150 samples (Au, Ag, Cu) $8.50/sample	$1,275.00	
150 samples (Pb) at $3.25/sample	$487.50	
	1762.50	
	~~$2,587.50~~	$2,587.50

Total Estimated Cost of the Work $32,855.00

Government Participation at 75% $24,641.25

Operator's Participation at 25% $8,213.75

1/ Includes all costs whatsoever such as mobilization and demobilization, labor, equipment, materials and supplies, and services.

2/ The Government retains no equity in any of the equipment or materials used.

United States Department of the Interior
GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration

June 28, 1974

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

The original and three copies of a proposed contract to explore the San Juan vein arrived in this office on June 20, 1974. The proposed contract consists of MME Form 51 (seven pages), Annex I (one page), the Indenture (one page), Exhibit A (three pages), Exhibit B-1 (one page to be inserted after signature by Applicant) and two maps (Figures 1 and 2). The original and three copies of the subject contract have been signed by the Government.

The applicant picked up the Operator's Copy, the Government's Copy, the Office of Financial Management's copy, and the Field Office's copy, in person on June 21, 1974, reviewed them and returned them to the office, signed, on June 27, 1974.

Each partner, Mr. Charles Turner and Anne Z. Turner signed the contract as requested by Washington inasmuch as they are both doing business as Hamilton Resources Corporation, Boulder, Colorado.

The Operator was instructed as to the manner in which the contract work is to be performed and also as to how the Operator's Monthly Vouchers are to be prepared and submitted.

The Operator was also advised that the 9-3/4 percent interest accrues from the dates on which individual payments are made by the Government, and like the principal, is repayable from royalty on production. The Operator intends to begin work on the exploration project near July 1, 1974.

Enclosed is the Government's and the Office of Financial Management's copy of the subject contract executed by the Government and the Operator. The contract consists of MME Form 51 (seven pages), Annex I (one page), the Indenture (one page), Exhibit A (three pages), Exhibit B-1 (one page to be inserted after signature by Applicant), and two maps (Figures 1 and 2).

The date for commencement of the work is September 15, 1974. That date has been inserted.

The Operator has retained the Operator's Copy, I am retaining the Field Office's Copy executed by both the Government and the Operator as well as the Extra Copy for the Field Office.

J. William Hasler

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

Enclosures

June 17, 1974

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed are the original and three copies of a proposed contract to explore the San Juan Mine. The contract consists of MMM Form 51 (Seven pages), Annex I (one page), the Indenture (one page), Exhibit A (three pages), Exhibit B-1 (one page to be inserted after signature by Applicant), and two maps (Figures 1 and 2). All copies of the contract have been signed for the Government. You should insert the date for commencement of the work. An extra copy of the contract is enclosed for field use.

If the proposed contract is satisfactory to you and the Applicants, the four copies should be signed by Charles H. Turner and Anne Z. Turner and distributed as usual. They should also sign both copies of Exhibit B-1, retain one for the Operator's copy of the contract, and return the other with the Government's copy of the contract.

Please advise the Applicants that the 9-3/4 percent interest accrues from the dates on which individual payments are made by the Government, and like the principal, is repayable from royalty on production.

If any part of the proposed contract does not have your approval or that of the Applicants, the original and all copies should be returned to this office together with the proposed changes for consideration.

Gail P. Wiegand

for Harold Kirkemo

Enclosures
cc:
DRF
MR Rdg.
OME Rdg./OME Files
Mr. Kirkemo
HKirkemo/gpw

June 14, 1974

N
Memorandum

To: The Files

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Pursuant to the National Environmental Policy Act, as amended (83 Stat. 852; 42 U.S.C. 4321 et seq.) and Executive Order No. 11514, 35 F.R. 4247 (1970) we have considered the work to be done under the above contract in the light of its probable affect upon the environment, and have concluded approval of the contract is not a major Federal action significantly affecting the quality of the human environment. Consequently, an environmental impact statement as required by section 102 of the Act (42 U.S.C. §4332) is not required.

Harold Kirkemo
Chief, Office of Minerals Exploration

United States Department of the Interior
GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

Rec'd 4/16/74

IN REPLY REFER TO:

Office of Minerals Exploration
Building 53 Room 28

April 10, 1974

Memorandum

To: Chief, Office of Minerals Exploration

From: J. William Hasler, Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a/ Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Transmitted herewith is the applicant's chain of title on the S. B. Kenrick and San Juan lode claims, including copies of the instruments of conveyance for your use, should a contract be prepared.

In the estimate of costs for the proposed exploration work the assays for samples, lead was inadvertently omitted, and should have been included. Therefore, assays for Au, Ag, Cu and Pb should be allowed. Allow for 180 determinations for Pb at $3.25 each, for a total estimated cost of $585.00. This will bring the total estimated cost for the entire exploration program to $36,381.20, instead of $35,796.20.

J. William Hasler

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

Enclosures

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

April 4, 1974

Mr. J. William Hasler
Field Officer, Region III
O M E, USGS
Denver Federal Center
Denver, Colorado 80225

Re: Chain of Title,
S.B.Kenrick and San
Juan lode claims.

Dear Mr. Hasler:

The S.B.Kenrick lode claim (Surv.2683) was owned and operated by certain of my ancestors, since well before the beginning of this century. However, taxes on the property eventually became delinquent, due to deaths in the family. I redeemed the property in 1944, and received a Treasurer's Deed, dated January 19, 1944.

Subsequently I acquired title to the San Juan lode and millsite (1167 A and B), by virtue of deeds from San Miguel County, dated July 21, 1947 and May 11, 1948.

On May 31, 1949 I conveyed the property to The San Juan Mining & Developing Co., which was under my control.

On October 31, 1969 the San Juan M & D. Co. was sold to new interests, who conveyed the property back to Charles H. Turner, Anne Turner and George E. Otten., on Nov.14, 1969.

George Otten then conveyed his interest (if any) in the property, to Charles H. Turner and Anne Turner, by Quit Claim deed dated November 19, 1969.

On April 23, 1973, Charles H. Turner and Anne Turner conveyed the property to Hamilton Resources Corporation, the present owner.

I am the sole owner of Hamilton Resources Corporation.

Copies of the various conveyances are attached hereto.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner

encls.

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration
Building 53 Room 28

OFFICIAL COPY
O. M. E.
RECEIVED
APR 5 1974
INITIALS CODE

April 2, 1974

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and
Anne Z. Turner
San Juan Mine
San Miguel County, Colorado

Transmitted herewith is a Report of Examination on the subject docket, recommending the preparation of a contract to complete some 300 feet of drifting to explore for ore on and along the San Juan vein, San Miguel County, Colorado.

Enclosed with the report is a revised application form requesting the increased costs needed for drifting, as well as new bank letters. A letter from the applicant indicating his ability to furnish his share of the money should a contract be offered him.

Two copies of an Indenture form, concerning the applicants doing business as Hamilton Resources Corporation is also enclosed for your perusal. Enclosed also is a rough draft of a proposed contract for your use in preparation of a contract, as well as maps for use in the contract.

I am informed that much of the snow in the immediate mine area has melted and that the Operator can get into the mine as soon as a contract can be prepared.

Enclosures

J. William Hasler

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

UNITED STATES

DEPARTMENT OF THE INTERIOR

ROGERS C. B. MORTON, SECRETARY

GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION

REGION III

CHARLES H. TURNER AND ANNE Z. TURNER

SAN JUAN MINE

SAN MIGUEL COUNTY, COLORADO

By

J. WILLIAM HASLER, GEOLOGIST

April 1974

REPORT OF EXAMINATION

Introduction and Summary---------- 1

Location and Accessibility ---------- 2

Property---------- 3

History and Production---------- 4

Ownership---------- 6

Financial Eligibility---------- 7

Geology---------- 7

Applicant's Exploration Proposal---------- 14

Examiner's Evaluation, Appraisal, and Recommendations---------- 15

Figure 1. S. B. Kenrick and San Juan Claim map.

Figure 2. San Juan Mine, Matterhorn, Colorado.

Introduction and Summary

Mr. Charles H. Turner and Anne Z. Turner, d/b/a/ Hamilton Resources Corporation, P. O. Box 3224, HiMar Station, Boulder, Colorado 80303 applied to the Office of Minerals Exploration for financial assistance to explore for gold, silver, copper and lead on the San Juan vein, in the Trout Lake Mining District, San Miguel County, Colorado.

The application was referred to the field after the applicant had made at least one level of the San Juan mine workings accessible for inspection and an appraisal. The applicant originally proposed a limited diamond drilling program to explore the San Juan vein from the A tunnel level, however the results of an appraisal, a detailed study of the property and other mines in the district indicates that exploration by drifting would be more advantageous.

The several mines in the district have produced from a few hundred or thousands of tons, to 100,000 or more tons having a total value of $4.55 million in gold, silver, copper, lead and zinc. Based upon the amount and value in tons mined and the fact that total mine workings totaled only some 30,000 feet of workings there is an indication that there should be considerable amounts of ore valued at greater than $45.00 per ton that could yet be discovered in these vein systems. There are two mills in the immediate vicinity of the San Juan Mine, one of which is presently operating, and the applicant has been offered a contract to supply ore to it. It is therefore recommended that a contract be prepared and executed to complete the exploration work herein outlined at the total estimated cost of $35,796.20.

Location and Accessibility

The San Juan Mine, located on the patented San Juan Lode, claim Survey 1167A and the S. B. Kenrick Lode claim Survey 2683 lies in Sections 4 and 5, Township 41, North, Range 9 West, N.M.P.M., Trout Lake Mining District, San Miguel County, Colorado. The San Juan Mine may be reached from Montrose, Colorado by travelling south on U. S. Highway 550 for twenty-six miles to Ridgeway, Colorado then westward on Colorado State Highway 62 for twenty-five miles to Placerville, Colorado, then southeastward on Colorado State Highway 145 for 13 miles to Three Mile Corner, or Society Turn, three miles west of Telluride, Colorado. Turn right, or southward on State Highway 145 for 10 miles. At a point about one mile south of Ophir turn left on an unimproved access road for about 1/2 mile to the San Juan Mine and/or Matterhorn Mine portal. In good weather the mine may be reached by a two-wheel drive vehicle, however during inclement weather a 4-wheel drive vehicle would be needed to get to the mine portal. All roads to the mine are all-weather Federal or State Highways, except for the last 1/2 or 3/4 of a mile. The San Juan Mine is some 360 miles from the applicant's residence in Boulder, Colorado, and is normally reached by travelling from Boulder, Colorado southward on Colorado State Highway 93, 20 miles to Golden, Colorado, then southward for 5.5 miles to Morrison, Colorado. At Morrison, Colorado, take U. S. Highway 285 south and west to Fairplay, Buena Vista, and Poncha Springs, Colorado, a distance of some 122 miles. At Poncha Springs take U. S. Highway 50 westward over Monarch Pass to Gunnison and Montrose,

Colorado, a distance of 125 miles. The road log from Montrose, Colorado to the San Juan Mine is described above.

Property

Charles H. Turner and Anne Z. Turner, the applicants, are the owners of the San Juan lode claim, Survey 1167A, and S. B. Kenrick lode claim, Survey 2683 and the San Juan millsite Survey 1167B. Figure 1. Both claims are patented. The applicant has also staked a number of unpatented San Juan claims adjacent to the patented San Juan and S. B. Kenrick claims. The San Juan claims, sometimes referred to as the Matterhorn drifts, are on the east side of the Lake Fork of the San Miguel River, about 1-1/2 miles south of Ames and opposite the San Bernardo Mine. Claims were first staked at this site in 1877 and by 1883 the workings consisted of four adits, 280, 290, 120 and 30 feet long, and one 60-foot winze (Corregan and Lingane, 1883). The lower adit is at an altitude of about 9,675 feet, the upper at 10,040 feet. The applicant's map dated February 26, 1957 shows the uppermost tunnel, F, to have been driven about 145 feet, and to have been stoped to the outcrop, or nearly so. The vein is reported here to have been 6 feet wide, with a high grade portion 18 inches wide, containing gray copper and sulfides having an average value of 106 ounces of silver to the ton. Tunnels E and D were driven on the vein for 38 and 90 feet respectively, but the map shows no stoping, Tunnel C is shown to be nearly 200 feet above the lowermost tunnel A, and the map shows Tunnel C, to have two small stopes as much as twenty feet above the level as long as 30 feet.

History and Production

The San Juan claims sometimes referred to as the Matterhorn drifts, (Plate A, B and C of application) are on the east side of the Lake Fork of the San Miguel River some 14 miles from Telluride, Colorado. The San Juan claims are located on a vein that follows a westward trending fissure which may be the eastward continuation of the San Bernardo fissure, or one of the several westerly trending veins that cut the intrusive and adjacent country rocks, in the Trout Lake Mining district. The San Juan claims were staked in 1877, and were worked in the late 1800's and early 1900's. Production from the San Juan vein has been sporadic since the late 1800's, the latest activity being in 1962. Production from individual veins in the Trout Lake and adjoining Iron Springs districts has ranged from a few hundred or thousand tons, to 100,000 tons or more. Production has ranged in value from a few thousand to over four million dollars. The chief product has been silver together with lead, copper, and gold. The mines have had a history of intermittent activity during times of favorable economic conditions, none has been a continuous producer. The largest mines were the Butterfly-Terrible (about a half mile north of the San Juan claims) with a production of $1.48 million; the Silver Bell, east of the Butterfly, with a production of $1.65 million, and the San Bernardo, west of the San Juan Claims with a production of about $1.42 million. Between 1902 - 1928 the San Bernardo mine was reported to have produced 91,000 tons of ore that contained 1,520 oz. Au, 607,000 oz. Ag, 2,830,000 lbs. of Pb and 240,000 pounds of Cu. Purington who visited the property in 1896 reported (in unpublished Survey field notes) that during 1891-95 there was ore produced that had a value of $130,000.00,

mostly in silver.

From 1928 - 1957 activity was sporadic and little ore was produced. Less than 3,000 tons of ore is reported to have been produced during 1964 - 66. The majority of the production from the San Bernardo vein has come from metamorphosed Mancos shale. However, stoping of veins in most other mines in the area has been in igneous rock. A reported 88,871 tons of ore mined from the San Bernardo vein between 1902 - 1942 averaged about 0.017 ounces of gold, 6.83 ounces of silver, 1.59 percent lead, and 0.137 percent copper. Gross values of this ore at current prices (3/20/74) would be $46.75 per ton.

The Garabaldi vein, about 200 feet south of and parallel to the San Bernardo vein, strikes about N. 78° W., and generally dips steeply south. On the lower level the country rock is in granodiorite porphyry. The vein is about 2 - 4 inches wide, and not nearly so strong on the San Bernardo vein, but the vein was somewhat wider where stoped.

The Butterfly Mine on the east side of the Lake Fork of the San Miguel River about one-half mile north of the San Juan or Matterhorn mine is the other major producer in the area. The workings of the Butterfly mine are entirely within the microgranogabbro of the Ophir stock and is reported to have had a production valued at about $1.65 million.

The productive workings totalling 10,000 feet of drifts and crosscuts are on the westward trending Ida and North (or Dill) veins which strike N. 60° - 80° W. The Ida vein has an average dip of about

75° south, and the north vein about 75° North. The veins worked in the Silver Bell mine just east of the quadrangle boundary are probably the eastern continuation of the vein system in the Butterfly mine. However, the Silver Bell Mine workings are all in the San Juan tuff. Purington's unpublished data for 1896 indicate that the veins ranged from a few inches to 2 feet in width, but in ore shoots they probably averaged more than one foot.

The tenor of the ore in the Minerals Yearbook of the U. S. Bureau of Mines. During 1936 - 40, 62,670 tons of ore from the Butterfly Mine was milled which averaged, per ton, 0.055 ounces of gold, 7 ounces of silver, 1.04 percent lead, and 0.186 percent copper. This grade of ore at current prices (3/20/74) would have a gross value of $51.99 per ton.

Ownership

Charles H. Turner and Anne Z. Turner, P. O. Box 3224 HiMar Station, Boulder, Colorado, d.b.a. Hamilton Resources Corporation own the San Juan lode and S. B. Kenrick lode, Survey 2683, patented lode claim, and the San Juan Mill Site, Survey 1167B that lie in Sections 4 and 5, township 41 North, Range 9 West, NMPM in the Trout Lake Mining district, San Miguel County, Colorado. Plate B, and Figure 1. There are no liens or other encumbrances upon the land.

The applicants have staked some unpatented lode mining claims adjoining the patented claims, however the San Juan vein lies well within the boundaries of the San Juan and S. B. Kenrick patented claims, and apex rights apply to the vein on the patented claims consequently subordination of the unpatented claims in the event that a contract is

executed appears unwarranted.

Financial Eligibility

The applicant has supplied letters of request to the Banks asking for an exploration loan in the amount that the government would participate, or $26,847.15. This amount is 75 percent of an exploration program estimated to total $35,796.20. The correspondence to, and from the Banks are included with this report of examination.

The applicant's share or 25 percent would be $8,949.02 of the estimated total cost of the program, and he advises us that this amount will be available any time a proposed contract is tendered to him without difficulty and that he can carry out the proposed exploration program as herein outlined, immediately upon the execution of a contract.

Geology

Vein Deposits[1/]

General

"Gold, silver lead, copper and zinc have been produced from the vein deposits, but the principal values of ore shipments have been in silver and gold. The value of past production in the Mt. Wilson Quadrangle in which the San Juan claims lie is probably about $3 million."

"The productive veins are spatially and possibly genetically related to several discordant intrusive masses that extend westward in a belt across the northern half of the Mt. Wilson Quadrangle. Within this intrusive belt the veins seem to be restricted to an east-west 1-2 miles wide across the quadrangle from Ames-Matterhron area on the east to the Silver Pick-Navajo Basin area on the west."

"The bulk of the production from the mineralized zone has come from fissure veins within the igneous rocks. The rarity of veins in the sedimentary rocks between the outcropping intrusive bodies is probably due to the fact that these rocks are mainly Mancos Shale, which is too incompetent to provide open fissures. In only one mine has production come from the Mancos Shale, but in it the veins cut the Mancos immediately adjacent to an intrusive body, and the formation is metamorphosed to a massive hornfels."

"Fissures in the area strike westward, northeastward, and northwestward, but most of the veins that have been mined are along fissures of westerly trend and steep dip. Fissures of this group strike N. 70° E. to N. 70° W. and generally dip more than 70° to the north or south."

"This direction of fracturing is conspicuous in most areas of outcrop of the major intrusive masses, both in the Ames-San Bernardo mine area and in the Wilson Peak Stock."

"Two general types of ore can be distinguished in the area -- gold ores and silver-lead ores. The two ore types are found in both westward and northeast-trending fissures, but the known gold ores are restricted to the area near the head of Navajo and Silver Pick Basins, several miles west of the San Juan property, the subject of this application."

The silver-lead ore deposits are more widely distributed than the gold ore deposits and include all the known veins between the east boundary of the quadrangle and Bilk Creek. The principal producers of silver-lead ore are the San Bernardo and the Butterfly mines. The ore from the San Bernardo Mine occurs in veins in the Mancos shale which

has been metamorphosed to a massive hornfels as the Mancos here is adjacent to an intrusive body. The San Juan vein may be on the same structure as the San Bernardo or a similar one, but lies to the east and is entirely within the Ophir stock.

In the silver lead ores the predominantly primary sulfide minerals are galena, sphalerite, and pyrite; although generally subordinate chalcopyrite, and tenantite-tetrahedrite are common and in places are abundant. The common gangue minerals are quartz, calcite, and brown carbonate minerals; lesser amounts of barite and rhodochrosite also occur. The silver-lead ores generally contain less than 0.10 ounces of gold per ton. Silver may assay 40 ounces or more per ton locally, but available production figures from records of the U. S. Geological Survey and from the Minerals Yearbook of the U. S. Bureau of Mines suggest that the mine-run ore averaged less than 10 ounces of silver per ton.

"The silver-lead ores of the area have been explored from an altitude of about 7,600 feet to at least 10,500 feet, a range of nearly 3,000 feet. The lower limit represents that imposed by the bottom of a major valley (with attendant drainage problems) rather than a change in the character of the veins; similarly the upper altitude does not necessarily indicate an upper limit. Individual lodes have been explored through vertical intervals of 1,000 feet without appreciable changes in character."

1/ Bromfield, C. S., 1967, Geology of the Mount Wilson Quadrangle Western San Juan Mountains, Colorado, U. S. Geol. Survey Prof. Paper, p. 81 - 83.

San Juan Mine

As previously stated in this report the San Juan Claims, sometimes referred to as the Matterhron drifts are on the east side of the Lake Fork of the San Miguel River about 1-1/2 miles south of Ames and opposite the San Bernardo mine. The workings consist of four adits 280, 290, 120 and 30 feet long, and one 60-foot shaft or winze. All workings are caved and are inaccessible except for the lowermost or 'A' tunnel that lies at an elevation of 9,675 feet above sea level. The upper tunnel is at an elevation of 10,040 feet.

The San Juan vein lies entirely within the microgranogabbro of the Ophir stock, however the fissure is near the contact with the Mancos shale, which is a few tens of feet south of the lowermost adit. The vein is typically narrow ranging from 3 to 18 inches in width, strikes N. 65° E., and dips 75° - 80° south, even though anastomosing stringers may locally increase the width to 2 - 3 feet. The vein consists mostly of pyrite, chalcopyrite, galena, and tetrahedrite. The vein is a typically filled fissure with well defined walls. Along the strongly shattered parts of the fissure the vein fillings show braided or "linked" structure. Portions within the vein are gougy, with numerous small sulfide stringers. There is a considerable amount of carbonate minerals mostly calcite, and possibly some barite.

The applicant's map, accompanying the application shows the uppermost F tunnel to have been driven about 145 feet, and to have been stoped to the outcrop, or nearly so. The vein is reported here to have been

6 feet wide, with a high grade portion 18 inches wide, containing gray copper, and other sulfides having an average value of 106 ounces of silver per ton. Tunnels E and D were driven on the vein for 38 and 60 feet respectively, but no stoping is shown on the map. Tunnel C is shown to be nearly 200 feet above the lowermost A tunnel, and the C tunnel is shown to have two small stopes as high as 20 feet above the level for a distance of some 30 feet. There are no assays reported from samples taken in the stopes, however the applicant's series of "C" samples, taken over a distance of some 80 feet beyond the last stope, show an average assay of 0.06 oz. Au, 11.43 oz. Ag and 1.46 percent copper the average width of vein material sampled is about one foot. Value of this material at current prices ($172.55/oz. Au, $5.00/oz. Ag, and 0.6815¢/lb. copper) would gross $87.34 per ton.

Tunnel B was driven some 83 feet below Tunnel C and was the level most extensively stoped. One stope extends along strike for a distance of 205 feet and as high as 50 feet, but will average forty feet high. This stope is reported to have been as much as nine feet wide containing galena, gray copper, brittle silver and other sulfides in a quartz and spar gangue. When sorted, the values reportedly ran 25% copper and $17.00 in gold and 90 ounces silver per ton.

Samples taken by the applicant from B tunnel were cut on the fringes of the stopes, as well as in the back of the drift between the two stopes and northeastward toward the face of the drift that lies some 55 feet from the last stope.

The 13 samples averaged one foot in thickness and averaged 0.13 oz. Au, 12.38 oz. Ag and 1.79% Cu per ton. Gross value of this material at current metal prices ($172.55 Au/oz., $5.00 Ag/oz. and 0.6815¢/lb. Cu) would be $108.72 per ton.

Tunnel "A" the tunnel currently open, and the only one that was made accessible for an examination was inspected December 12 and 13, by the Field Officer, Region III, accompanied by the applicant, Mr. Charles Turner, Boulder, Colorado. Samples taken by the applicant of the San Juan vein from A tunnel had an average grade of 0.05 oz. Au, 6.57 oz. Ag, 0.89% Cu, and 1.35% Pb over a width of 2.14 feet. Gross value of this ore at current metal prices ($172.55/oz. Au, $5.00/oz. Ag, 0.6815¢/lb. Cu, and .1900¢/lb. Pb) would be $58.73 per ton.

The average grade of the assays taken from tunnels A, B, C is 0.089 oz. Au, 8.92 oz. Ag, 1.26% Cu, and 1.35% Pb. Gross value of the assays at current metal prices as of March 27, 1974 ($172.55 oz. Au, $5.00 oz. Ag, .6815¢/lb. Cu, and 0.19¢/lb. Pb) would be $82.25 per ton.

The Butterfly Mine

The Butterfly Mine located about a half-mile north of the San Juan Mine lies entirely within the Ophir stock, was possibly the second largest producer in the Trout Lake Mining District and has a reported production valued at some $1.42 million from some 10,000 feet of workings. The Butterfly Mine consists of a series of overlapping veins trending northwest to west dipping from steeply north to steeply south, contain pyrite, galena, sphalerite, chalcopyrite, and tetrahedrite in a gangue of quartz, calcite and barite.

Production figures for the years 1937 through 1940 are reported

to total 62,670 tons of ore that averaged 0.055 oz. Au, 7.00 oz. Ag, 0.186% Cu and 1.04% Pb. There were some reserves estimated at 2,340 tons that would average 0.093 oz. Au, 32.5 oz. Ag, 10.0% Pb and 1.12% Cu per ton. Samples taken, throughout the mine show the veins to have an average width of 22 inches.

Value of ore at current prices as shown here range from $50.97 per ton to as much as $231.80 per ton. The lead and silver values in the quoted reserve figure are too high a value to use in appraising the district as a whole, however values of ore ranging from $50.00 to better than $80.00 per ton are not out of the ball park, so to speak.

San Bernardo Vein

The San Bernardo Vein occupies a fault fissure, chiefly in the gently dipping Mancos shale. The vein strikes about N. 80° W. and dips 60° - 70° southwesterly. Width varies from less than a foot up to seven feet. Mine workings total some 9,000 feet. Indications are that the veins in the silicified Mancos shale are stronger, more persistent and more productive than when they occur within the Ophir stock, however the San Bernardo vein is the only vein in the area that lies in the Mancos shale.

Production records from the San Bernardo Mine, 1902 to 1942 shows that 88,781 tons of ore were mined that had an average grade of 0.017 oz. Au, 6.83 oz. Ag, 0.137% Cu, and 1.59% Pb. Gross value of the ore at current metal prices ($172.55/oz. Au, $5.00/oz. Ag, .6815¢/lb. Cu, and .1900¢/lb. Pb) would be $42.34.

Applicant's Proposed Exploration Program

The Applicant originally proposed a program totalling $10,703.00 which included some rehabilitation of the A tunnel to be followed by diamond drilling from an underground site for a total of some 550 feet to explore for the downward extension of the San Juan vein. The applicant was informed that we would not do any of the rehabilitation, and that the workings must be made accessible for an inspection. The rehabilitation work was done on his own account and an examination of the lower or A tunnel was made by the esamining geologist December 11 - 13, 1973, in company with the applicant, Mr. Charles Turner.

As a result of the examination an increased drilling program was suggested and costs were estimated at $19,503.00, however it was further suggested that the most suitable and effective method of exploration would be by drifting northeasterly along the San Juan vein for some 300 feet. Diamond drilling equipment is so difficult to obtain, it is also next to impossible to obtain a reasonable diamond drilling bid for such a small amount of drilling. In fact, the applicant was unable to obtain even one bid. It is now proposed that the San Juan vein be explored by drifting from the present face of the A tunnel workings for a distance of 300 feet eastward. Estimated total costs for this project will be $35,796.20. Government participation at 75 percent would be $26,847.15. The applicant assures us that he is willing and able to provide his 25 percent participation or $8,949.05.

The three hundred foot of drift from the present face of the A tunnel would terminate near the end of the old workings as projected

at depth, and this amount of drifting would adequately explore the San Juan vein at depth.

Examiner's Evaluation and Appraisal

The veins throughout the district are characteristically narrow ranging usually from a few inches to 1-1/2 to 2 feet in width, however old reports and data obtained during times of maximum production during the late eighteen hundreds indicates that many of the stoped areas in the most productive mines are as wide as 9 feet, and are often from 3 to 6 feet wide. Ore mined from the wide portion of the stopes appear to contain pods containing very high grade ore, with silver assays many times higher in grade than the average grade of 10 ounces of silver per ton. Reports of 70 - 100 ounces of silver per ton are numerous, even though vein descriptions do not indicate an abundance of cross fracturing, or faulting. Most of the stopes in the region were caved and the workings inaccessible even when C. W. Purington was first in the district (1896). This behavior of the veins, and the fact that mines in the region have produced tonnages ranging from a few hundred, or thousands of tons, to 100,000 tons or more valued at a total of some $4.55 million, thus yielding values averaging $45.00 per ton at the old prices. Much of the ore mined, was mined at a time when gold was only $20.00 per ounce. In order to have a gross value of $4.55 million, a considerable amount of the total ore mined would have to have been valued at a figure greater than $45.00 per ton.

Because of the unique production figures and ultimate value of ore mined from a total of some 30,000 feet of workings, throughout the

region it appears justifiable to explore the San Juan vein for a distance of 300 feet. It is therefore recommended that a contract be prepared to explore the San Juan vein for 300 feet for gold, silver, copper and lead, northeastward from the lowermost A tunnel. Figure 2. Total estimated costs of the project are $35,796.20. Government participation at 75% would be $26,847.15. The applicant's share at 25% would be $8,949.05. The applicant informs us that his share will be met without difficulty. He intends to complete the work on his own, without contracting the work to another company.

Estimated costs are as follows:

(a) Independent Contracts		
Access road work - D7 bulldozer, 30 hrs. @ $27.50		$825.00
(b) Personal Services		
Supervision & engineering - 3 months @ $1,500.00/month	$4,500.00	
2 miners - 3 months	$6,000.00	
1 helper - 3 months @ $850.00/month	$2,550.00	
1 outside consultant - 3 days @ $125.00	$375.00	
Per diem/consultant - 3 days @ $25.00	$75.00	
Transportation/consultant - 2160 miles @ 12¢/mile	$259.20	$13,759.20
(c) Operating Materials & Supplies		
Explosives, per foot - $7.00 (x 300')	$2,100.00	
Pipe - 700' 3" airline @ $1.25/foot	$875.00	
700' 1" water line @ .46/foot	$322.00	
Ventube - 100' x 18" (flex.) @ $7.90/foot	$790.00	
Galvanized vent pipe 650' x 18" @ $2.75	$1,787.50	
Steel & bits, per foot - $3.30 (x 300')	$990.00	
Small tools (est.)	$300.00	
		$7,164.50

Estimated Costs are as follows: (Continued):

(d) Operating Equipment

Compressor - 600 cfm electric, 3 months rental @ $850.00/month	$2,550.00	
Loader - diesel powered with scrubber, 3 months rental @ $1,000.00	$3,000.00	
Gardner-Denver jackleg drill - 3 months rental @ $300.00/month	$900.00	
Electric pump - 3 months rental @ $100.00	$300.00	
FWD pick-up 3 months rental rental @ $110.00	$330.00	
Mobilization & Demobilization	$300.00	
		$7,380.00

(e) Initial Rehabilitation & Repairs
250' of road (see (a) above)

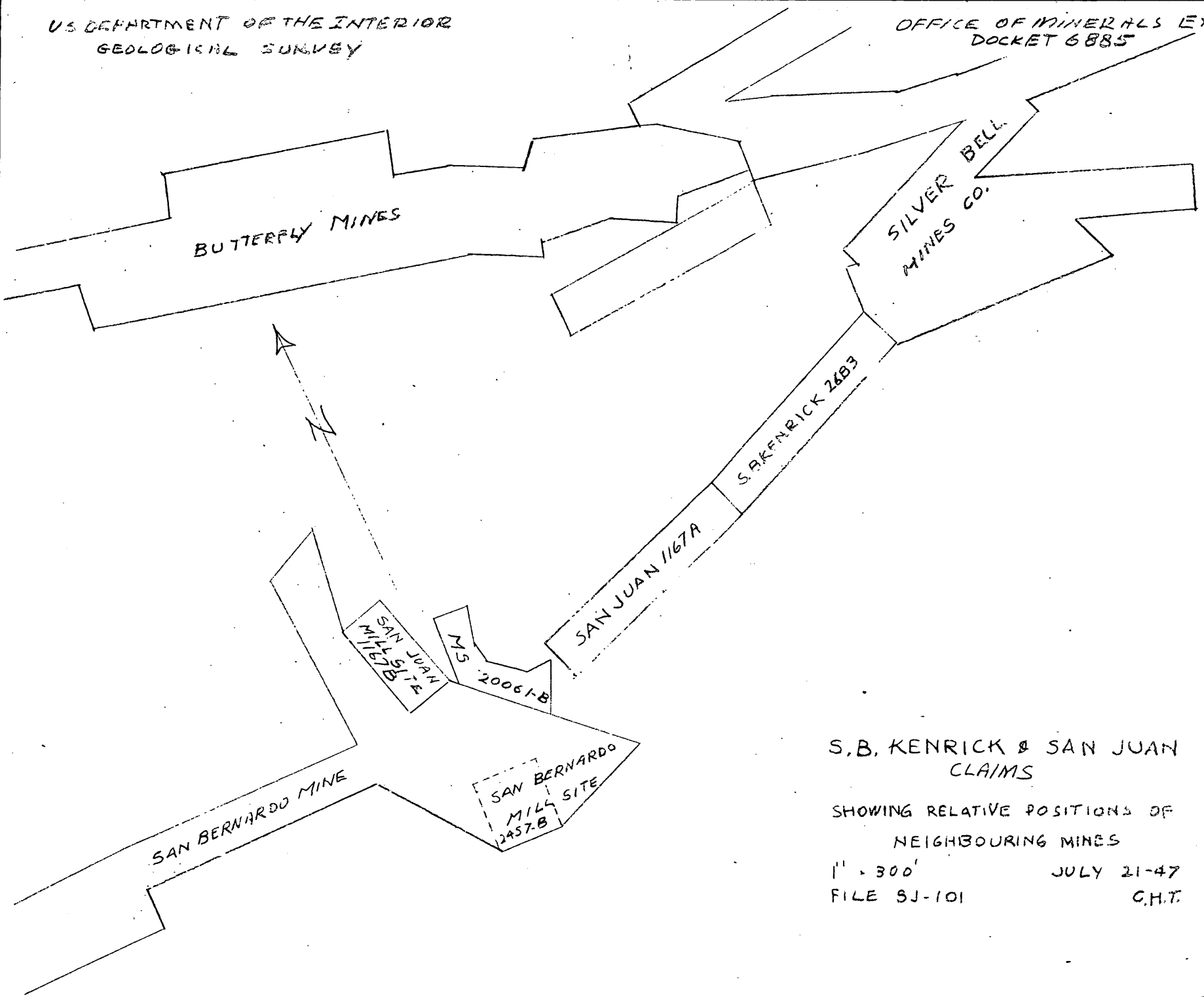
(f) New Buildings, Fixtures, Installations
None

(g) Miscellaneous

(i) Pick-up truck		
Gasoline - 300 gals. @ .50/gal	$150.00	
Oil - 15 gals. @ $3.00/gal.	$45.00	
Maintenance & service-3 months	$90.00	
Diesel loader		
Diesel fuel - 600 gals. @ .45/gal.	$270.00	
Oil - 25 gals. @ $3.00/gal.	$75.00	
Maintenance & service-3 months	$150.00	
		$780.00
(ii) Assaying - 180 samples @ $8.50 (Au, Ag, Cu)	$1,530.00	
Office - Reporting & Accounting, 3 months @ $50.00/month	$150.00	
Payroll taxes, insurance, etc. $13,050.00 x 15%	$1,957.50	
		$3,637.50
(iii) Services		
Electric power for compressor, blower, pump, 3 months @ $750.00 (est.)		$2,250.00
TOTAL		$35,796.20

US DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION.
DOCKET 6885



S.B. KENRICK & SAN JUAN
CLAIMS

SHOWING RELATIVE POSITIONS OF
NEIGHBOURING MINES

1" = 300' JULY 21-47
FILE SJ-101 C.H.T.

FIGURE I

Office of Minerals Exploration
Building 53 Room 28

OFFICE
COPY
O. M.
REC'D
JAN 24
ENTRY
HK

January 8, 1974

Mr. Charles H. Turner
P. O. Box 3224 - HiMar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and
Anne Z. Turner
San Juan Mine
San Miguel County, Colorado

Dear Mr. Turner:

Enclosed are the cost figures that I calculated yesterday, and discussed with you during our visit concerning a proposed diamond drilling at the San Juan Mine.

As soon as you have obtained what you think are the most nearly correct costs, please let me know and I'll submit them with my report as soon as possible, with new bank letters.

Sincerely yours,

J. William Hasler

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

Enclosures

cc: Chief, OME
OME-6885
OME chron
Mr. Hasler

OME-6885

Charles Turner

San Juan Mine, San Miguel Co., Colo.

Estimated Costs of the Work

Fixed Unit Costs

Supervisor

1 Supervisor	
3 months @ $1,000.00/month	$3,000.00
1 Sampler	
3 months @ $700.00/month	$2,100.00
1 Outside Consultant	
3 days at $125.00/day	$375.00
Per diem -- outside consultant	
3 days @ $25.00/day	$75.00
Transportation for outside consultant	
2,160 miles at $0.12/mile	$260.00
Payroll taxes, insurance	
$3,400.00 at 15%	$510.00
Office expense	
3 months @ $50.00/month	$150.00
Total Fixed Unit Costs	$6,470.00

Actual Costs

Category (1) Independent Contracts

Drilling

Mobilization and demobilization		$200.00
Bulldozer		
D-7(?)	50 hrs. at $22.00	$1,100.00
Drill site preparation underground		$100.00
Collar pipe NX or NC		
100 feet @ $8.90/ft.		$890.00
Diamond core drilling,		
1,000 feet		$7,950.00

	NX	BX	AX
0 - 250 ft.	$7.95	$7.50	$7.20

Lost casing in completed holes	
60 feet	$216.00
NX @ $3.60/ft.	
BX @ $2.40/ft.	
Cement, drill mud, additives and hole plugging agents	$500.00
Cementing and redrilling	
13 hours at $16.20/hr.	$210.60
Reaming and installing casing	
13 hours at $14.40/hr.	$187.20
Standby time,	
25 hrs. at $16.20/hr.	$405.00

Category (7) Miscellaneous

None except:

Cardboard core boxes	
80 @ $1.50 each	$120.00
Assaying 110 samples	
110 samples Au, Ag, Cu at $5.50/sample	$605.00
Total Actual Costs	$12,483.80
Total Fixed Unit Costs	$6,470.00
Total Estimated Cost	$18,953.80

GEOLOGICAL SURVEY
National Center, Mail Stop 920
12201 Sunrise Valley Drive
Reston, Virginia 22092

November 30, 1973

Mr. Charles H. Turner
P.O. Box 3224 HiMar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and
Anne L. Turner
San Juan Mine
San Miguel County, Colorado

Dear Mr. Turner:

Thank you for your letter of November 19, 1973, concerning access to Level A and the possibility of an examination by Mr. J. W. Hasler, OME Field Officer, Region III.

We have referred the application to Mr. Hasler for consideration, and he will make arrangements with you regarding such an examination.

Sincerely yours,

Harold Kirkemo, Chief
Office of Minerals Exploration

Copy to: Region III, OME

cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo

HKirkemo/gpw

GEOLOGICAL SURVEY
National Center, Mail Stop 920
12201 Sunrise Valley Drive
Reston, Virginia 22092

November 30, 1973

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and
Anne Z. Turner
San Juan Mine
San Miguel County, Colorado

The subject application is referred to you for review, a field examination when the mine is accessible for entry, and your recommendations.

Harold Kirkemo

cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo

HKirkemo/gpw

Charles H. Turner
Mining Engineer

OFFICIAL
COPY
O. M. E.
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NOV 26 1973
INITIALS | CODE
#12 HK

P.O.Box 3224 HiMar Sta.
Boulder, Colo. 80303

November 19, 1973

Mr. Harold Kirkemo, Chief
Office of Minerals Exploration
U.S.G.S. National Center, Mail Stop 920
12201 Sunrise Valley Drive
Reston, Virginia 22092

Re: OME-6885 (Silver-Gold)
Charles H. Turner and
Anne Z. Turner
San Juan Mine
San Miguel County, Colo.

Dear Mr. Kirkemo:

This will acknowledge receipt of your letter of Nov.1, 1973 in which you state that my application is considered as having been withdrawn, as of the date of your letter.

Unfortunately I did not keep you advised of progress in opening the mine portal. This has now been completed, within the past two weeks, and the main level, "A", is now accessible.

Weather has been favorable up to the present, and except for a brief period of uncertainty, the forecast is for a warming trend and more fair weather.

In view of this, it would be possible to complete an examination before winter sets in. If this could be arranged within the next two or three weeks, I would be available to accompany Mr. Hasler, and to assist him in making his examination.

Major exploration programs are presently being conducted, in the immediate area, by two of the major oil companies. In addition, I have been assured by Silver Bell Mines, a close neighbor, that full cooperation will be given by them, in keeping access open, etc., should the expected orebody be indicated. The Silver Bell interest stems from the fact that they need the San Juan ore to help maintain their mill operation.

Very truly yours,

Chas H Turner

Charles H. Turner

cc: Mr. Hasler

FILE COPY

November 1, 1973

Mr. Charles H. Turner
P. O. Box 3224 Hilmar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and
Anne A. Turner
San Juan Mine
San Miguel County, Colorado

Dear Mr. Turner:

You wrote us on June 14, 1973, to request an extension into July for consideration of your application for financial assistance to explore the San Juan mine. You expected to reopen the portal of Level A and to gain entry into the mine.

We have not heard from you since then so we assume that you are not interested in proceeding with the application. Accordingly, we are considering it as having been withdrawn effective this date.

Please refer to our letter to you dated June 8, 1973, for guidance if, at some time in the future, you wish to reactivate the application.

Sincerely yours,

Harold Kirkemo, Chief
Office of Minerals Exploration

cc:
Region III
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo

HKirkemo/gpw

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HiMar Station Boulder, Colorado 80303 (303) 499-3330

June 14, 1973

U. S. Dep't of the Interior
Geological Survey
Washington, D.C. 20242

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 20 1973
INITIALS | CODE
CAL | 120
HK | 120

Att'n: Mr. Harold Kirkemo, Chief
Office of Minerals Exploration

Re: OME-6885 (Silver-Gold)
Charles H. Turner and
Anne Z. Turner
San Juan Mine
San Miguel County, Colorado

Dear Mr. Kirkemo:

Referring to your letter of June 8th, 1973.

My reason for not replying earlier was the fact that the San Juan property has been under 8 feet of snow, and the portal of A Level will probably not be accessable for another two weeks.

Consequently, I have not been able to open the portal. However, I expect to have the opening cleaned out by the end of June.

I would appreciate your extending the deadline into July, in order that an examination may be made.

Very truly yours,

Chas H Turner

Charles H. Turner
Mining Engineer

cc: Mr. Hasler
Field Officer, Reg. III

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code

Mr. Charles H. Turner
P. O. Box 3224 HiMar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and
Anne Z. Turner
San Juan Mine
San Miguel County, Colorado

Dear Mr. Turner:

We wrote to you on March 16, 1973, stating that if you rehabilitated A Tunnel and any other workings, we would be glad to examine the property and complete our review of your application. If you decided not to do this, we suggested that you consider withdrawing the application, and asked that you advise us of your decision.

As of the date of this letter, we have not heard from you.

If we do not receive a reply from you by June 30, 1973, we must assume that you are no longer interested in proceeding with your application at this time, and we shall consider it as having been withdrawn on that date. If sometime in the future you should rehabilitate the mine so that an examination can be made, and you wish to reactivate the application you may do so by referring to this docket number and furnishing up-to-date information, items such as bank letters, maps, project plans, and cost estimates necessary to complete the application.

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's reading file
Mineral Resources
OME reading file
Region III
Mr. Kirkemo
HKirkemo/cac 6/8/73

OME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code

AIRMAIL

MAR 16 1973

Mr. Charles H. Turner
P. O. Box 3224 HiMar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and
Anne Z. Turner
San Juan Mine
San Miguel County, Colorado

Dear Mr. Turner:

Your application for exploration assistance, dated November 10, 1972, and received in this office on March 12, 1973, has been assigned Docket No. 6885. Please identify all future correspondence relating to the application by this docket number.

We enclose for your information a copy of Exhibit A entitled "Notice to Prospective Federally Assisted Construction Contractors" which describes certain additional regulations and requirements not included in the application form. This should be filed with your copy of the application.

We note in the application that most of the levels are caved and inaccessible. In order for us to examine the target vein and evaluate the potential for a worthwhile target, Level A and Drifts 1 and 2 should be accessible for inspection by the OME Field Officer. Because rehabilitation work for this purpose is not eligible for assistance under the OME program, you would have to do this work entirely on your own account. Providing access for the purpose of an examination should not be construed to indicate that an exploration contract would be offered. Approval of an application depends mainly on the geologic probability of a significant discovery being made by the proposed work.

It would be desirable also to examine the vein exposed in the workings in B Tunnel and other levels, but in view of the time that has passed since that work was done, it probably is not feasible to rehabilitate any of those levels.

If you should rehabilitate A Tunnel and any other workings, we would be glad to examine the property, and complete our review of the application. Otherwise, we suggest that you consider withdrawing the application. Please advise us of your decision.

Sincerely yours,

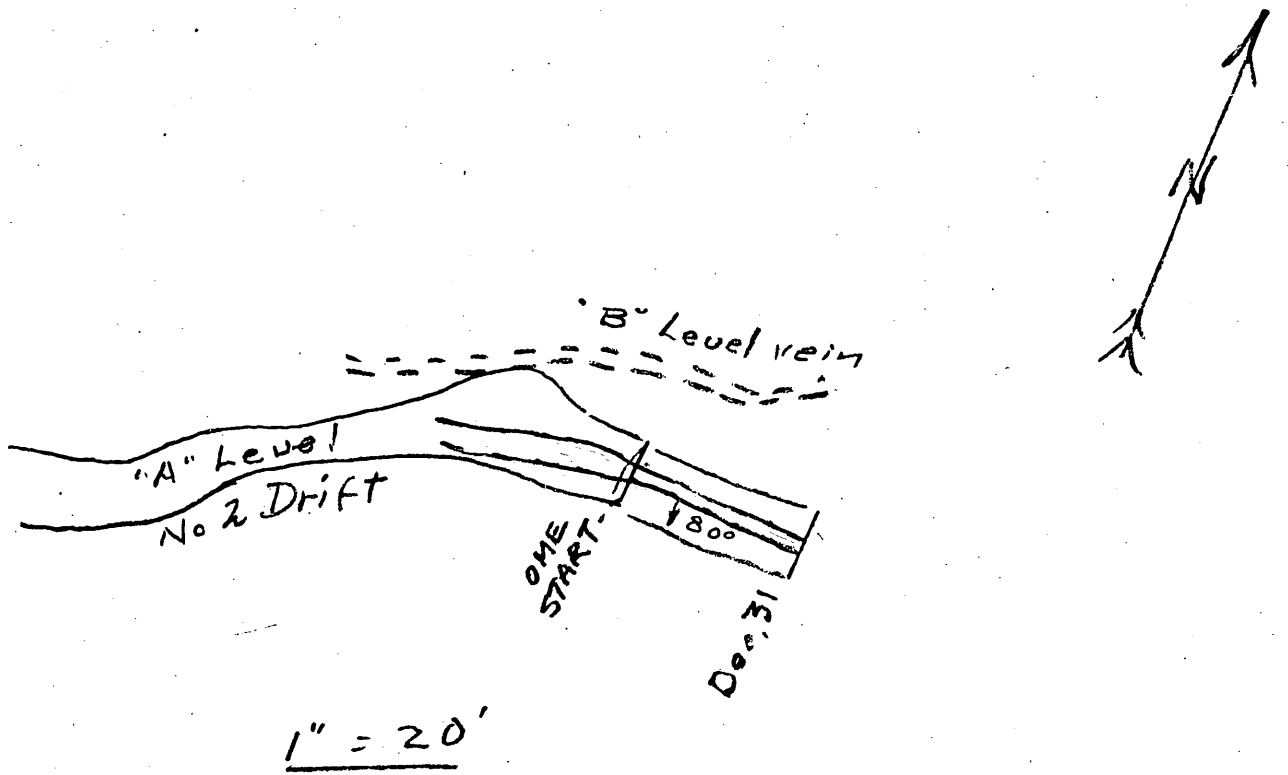
Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosure

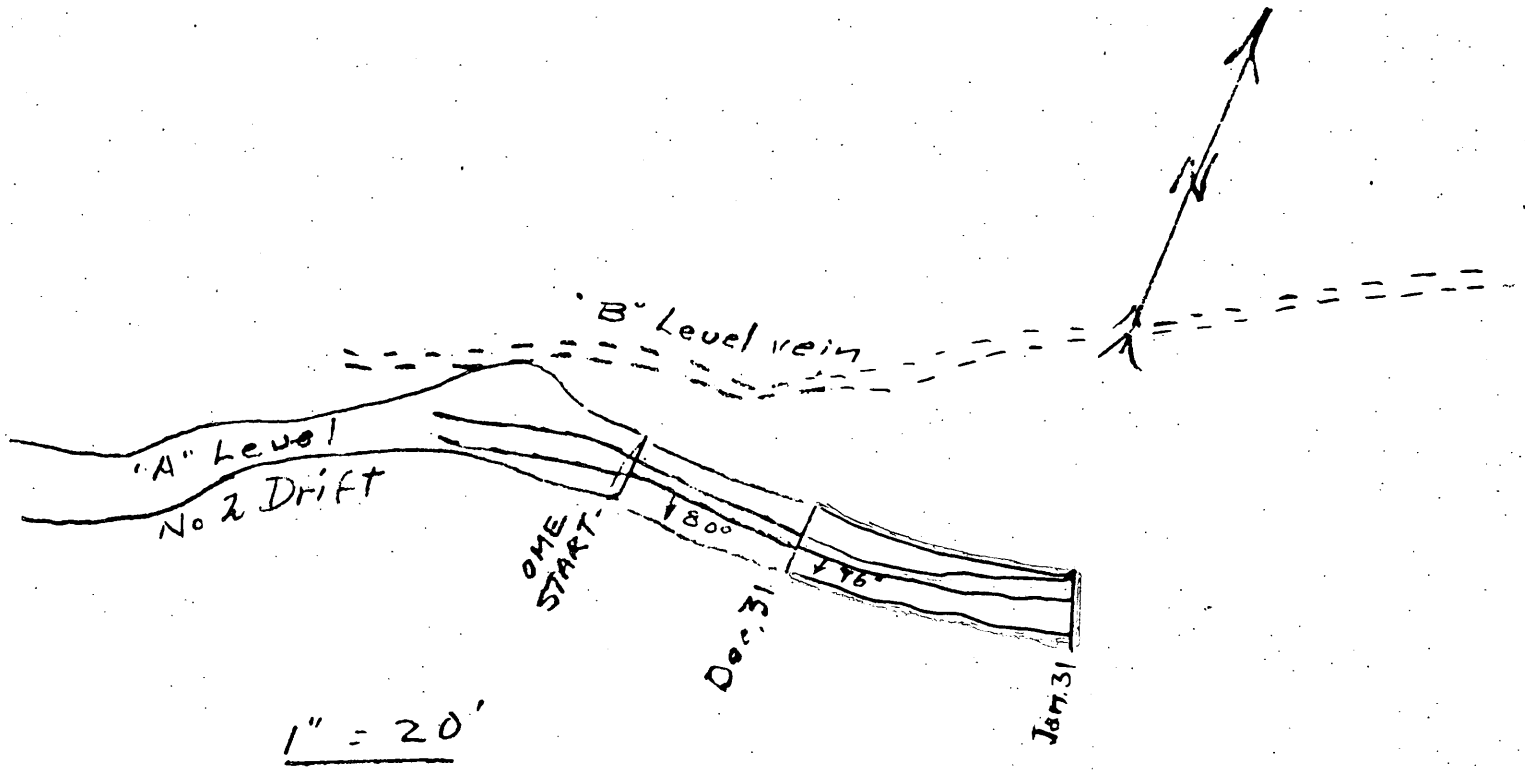
cc: Director's reading file
Mineral Resources
OME reading file
Region III
Mr. Kirkemo

HKirkemo/cac 3-16-73



SAN JUAN MINE MATTERHORN COLO

DECEMBER 1974
Map by Chas. Turner



SAN JUAN MINE MATTERHORN COLO

January 1975

Map by Chas. Turner

US DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DOCKET 6885

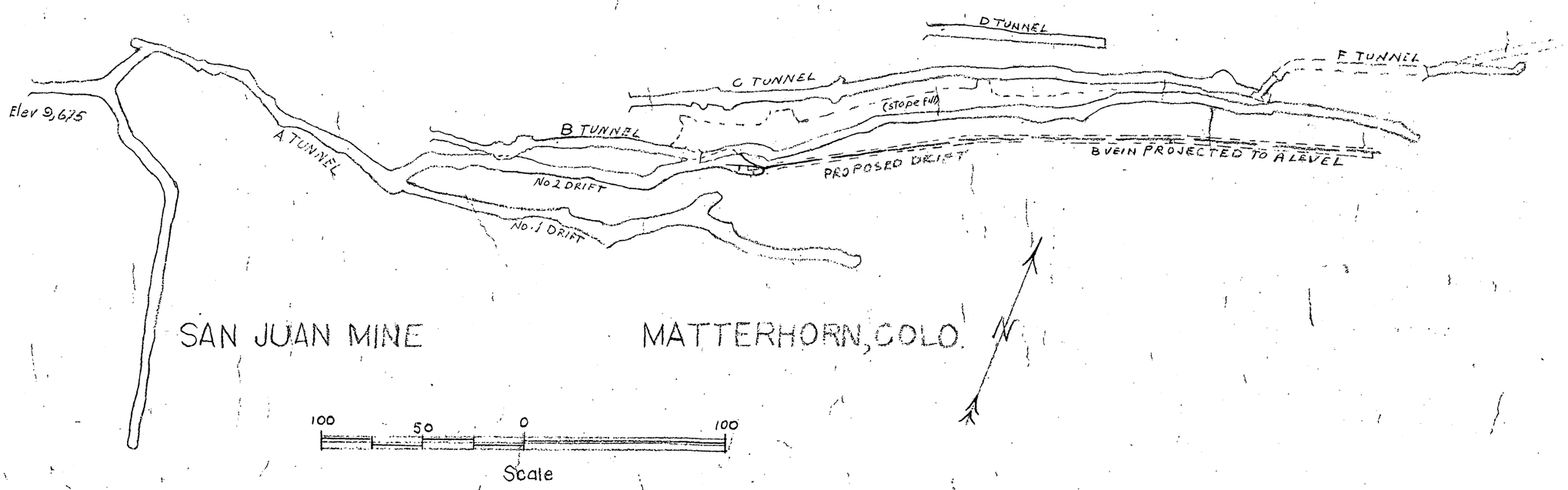


FIGURE 2

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
DOCKET 6[illegible]

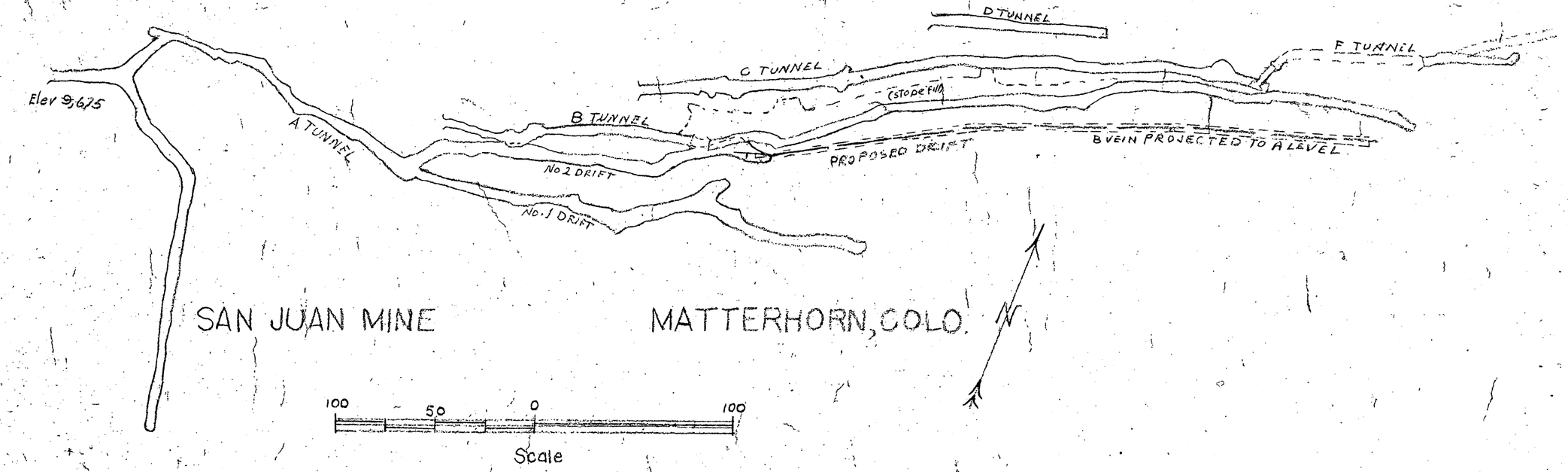
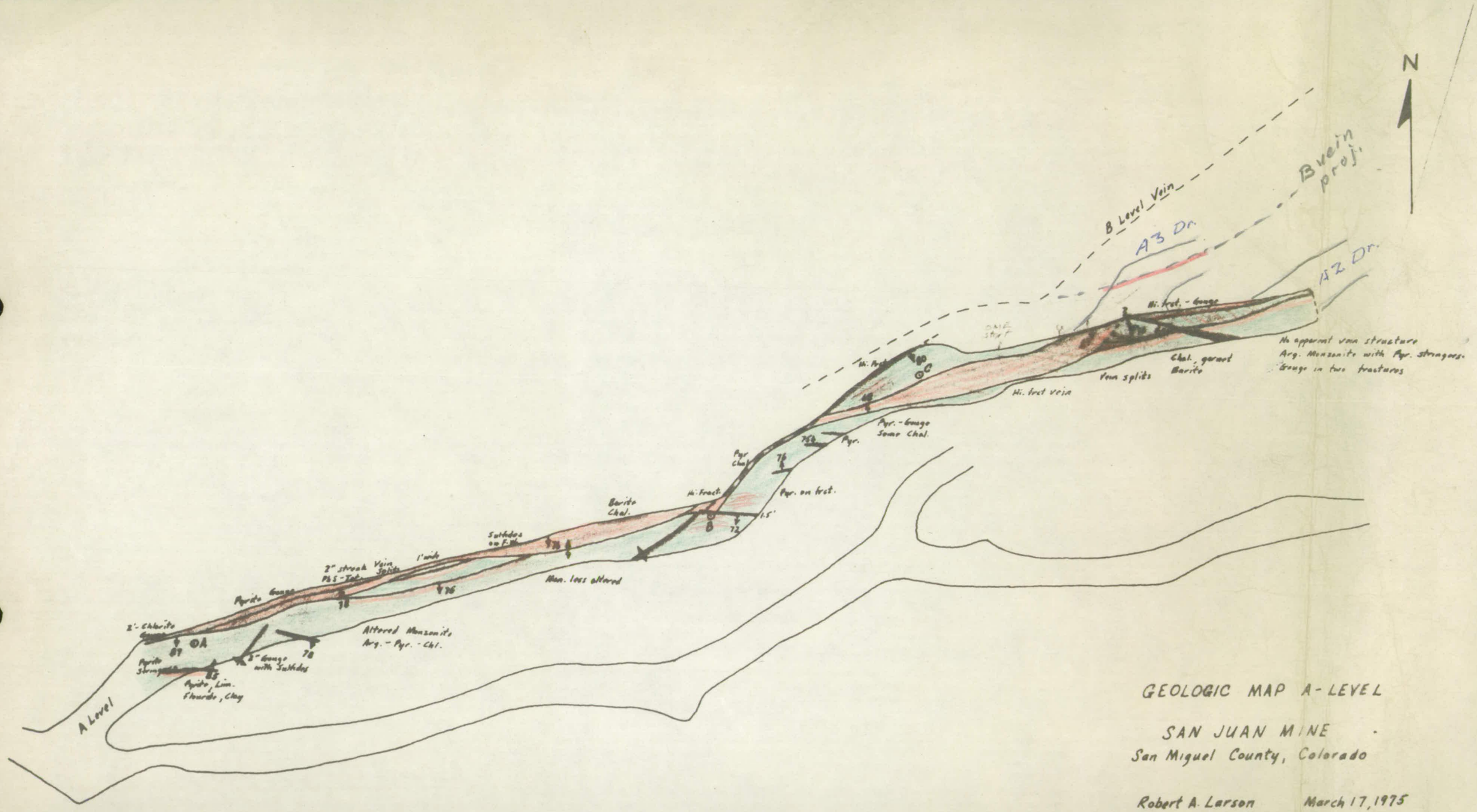


FIGURE 2



GEOLOGIC MAP A-LEVEL

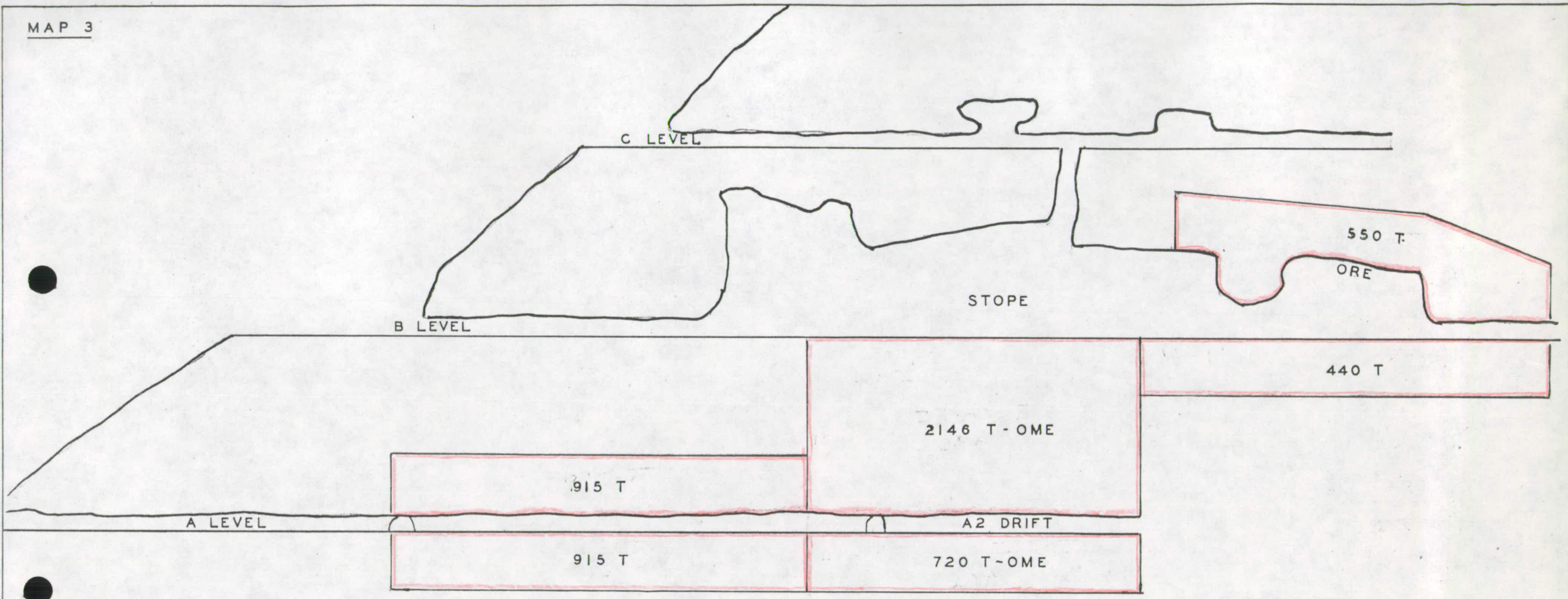
SAN JUAN MINE

San Miguel County, Colorado

Robert A. Larson March 17, 1975

Scale: 1" = 20'

MAP 3



ORE RESERVES

OME	2866 T
CO.	2820
TOT.	5686

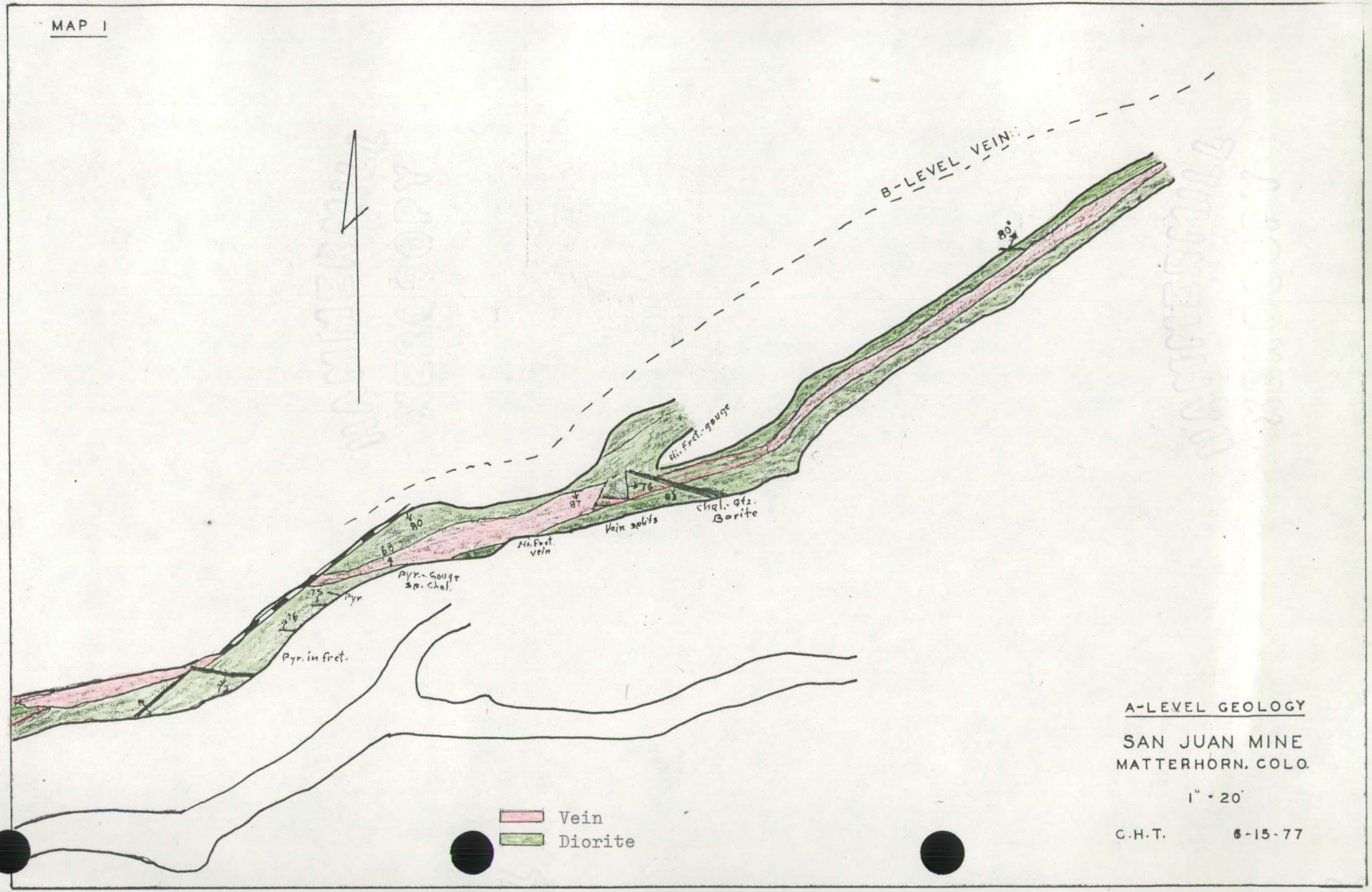
SAN JUAN MINE

MATTERHORN COLO.

1 IN. = 50 FT.

C.H.T. 6-15-77

MAP 1



A-LEVEL GEOLOGY

SAN JUAN MINE
MATTERHORN, COLO.

1" = 20'

C.H.T. 6-15-77

US DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
DOCKET 6885

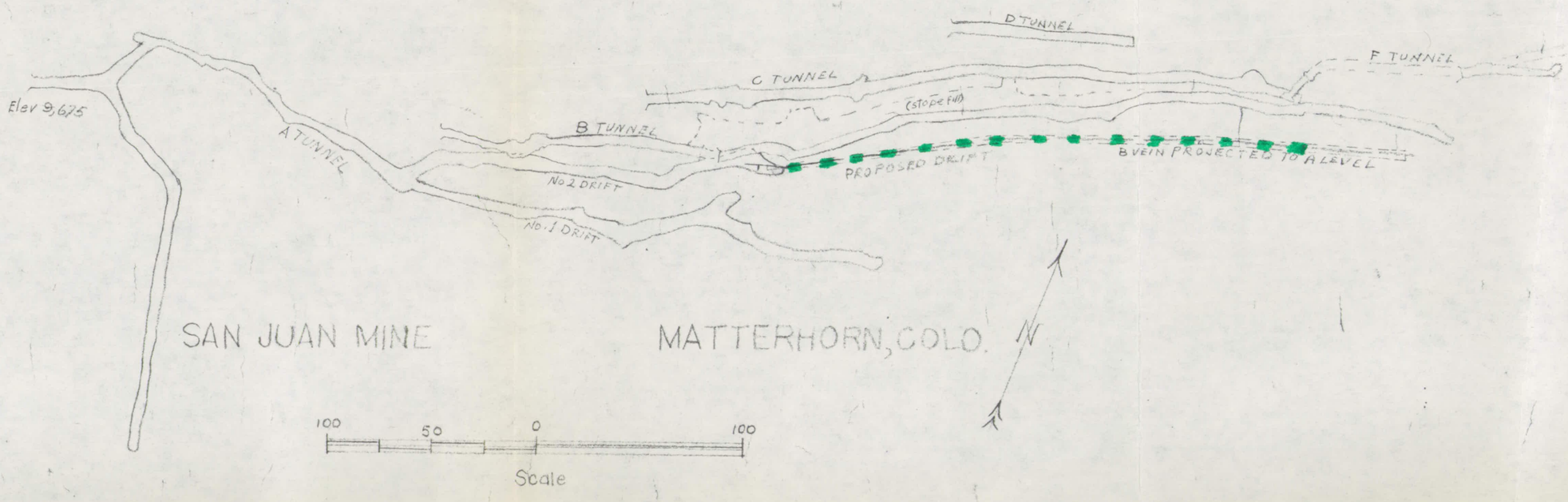
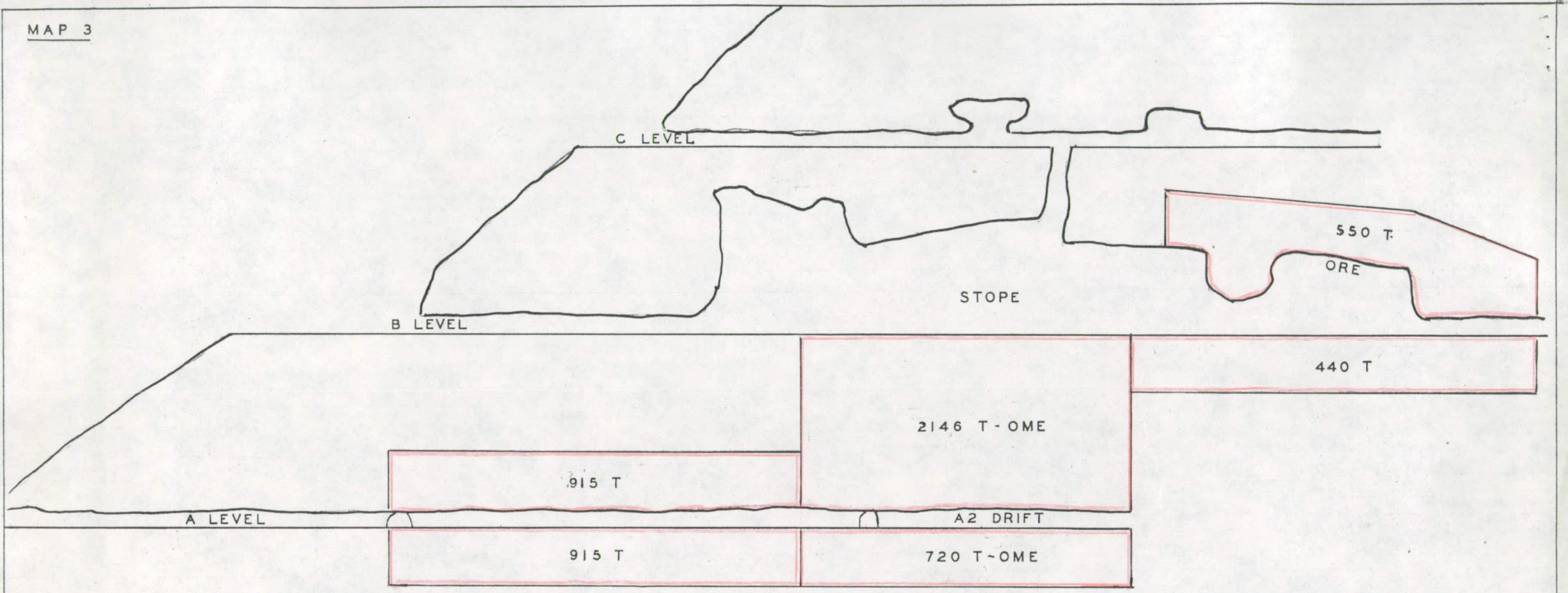


FIGURE 2

MAP 3



ORE RESERVES

OME	2866 T
CO.	2820
TOT.	5686

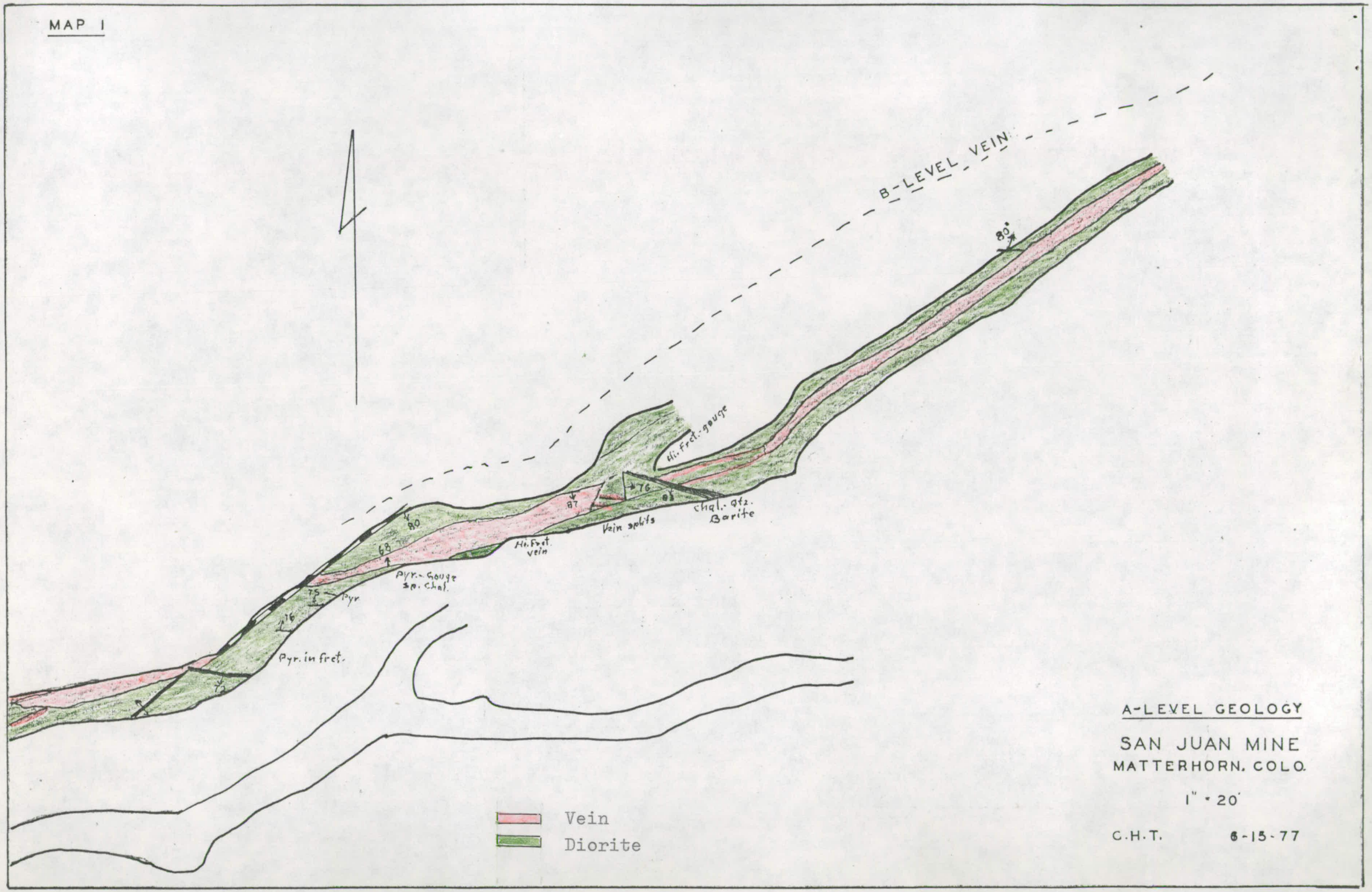
SAN JUAN MINE

MATTERHORN COLO.

1 IN. = 50 FT.

C.H.T. 6-15-77

MAP 1



A-LEVEL GEOLOGY

SAN JUAN MINE
MATTERHORN, COLO.

1" = 20'

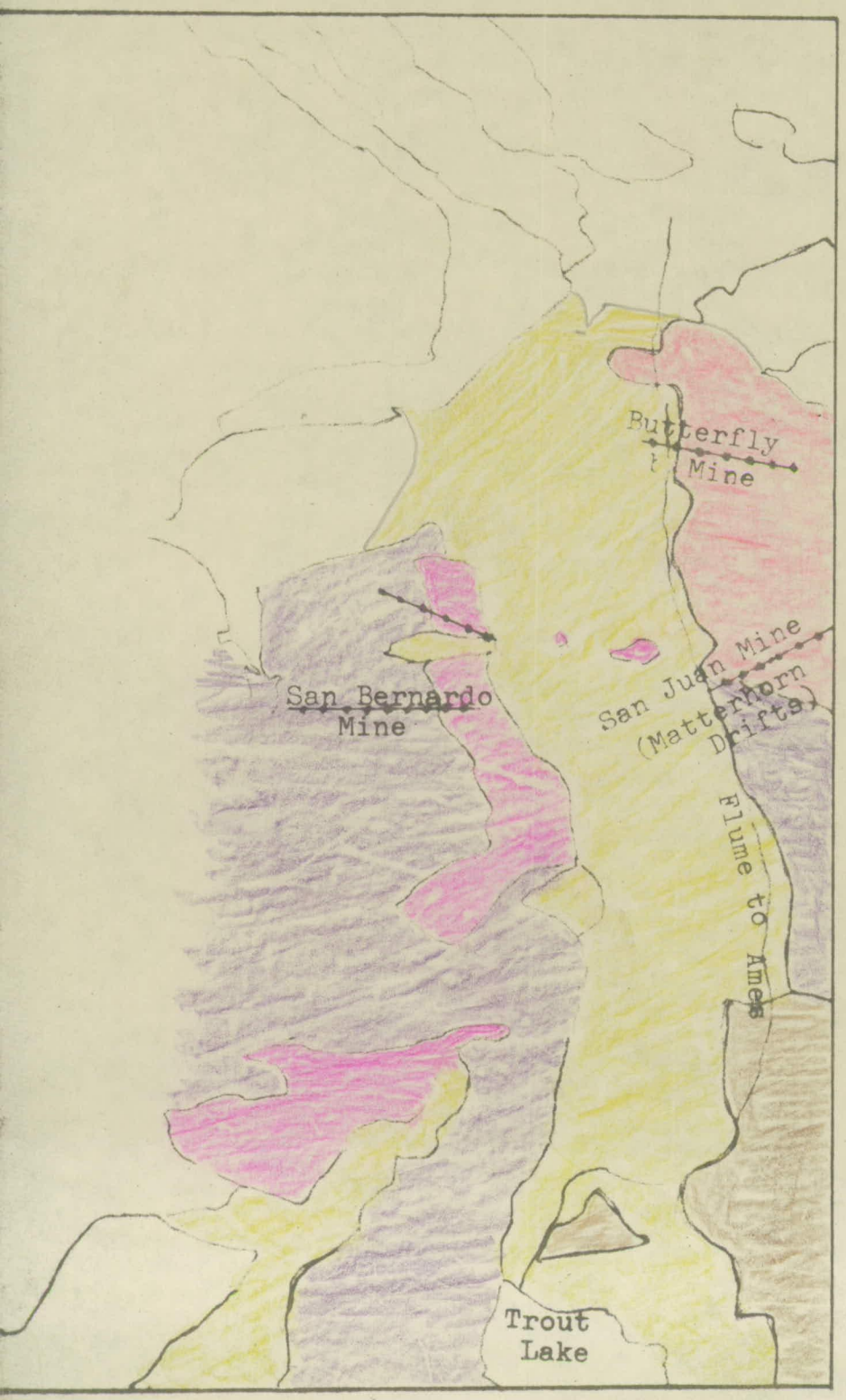
C.H.T. 6-15-77

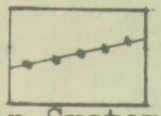
Charles H. Turner
Box 3224 HiMar Sta.
Boulder, Colo. 80303

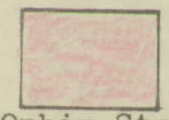
GEOLOGY of SAN JUAN MINE AREA

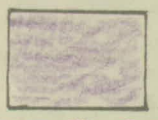
San Miguel County, Colorado

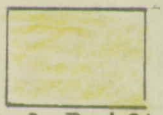
Adapted from Plate 1, Geological Survey Bulletin 1227.

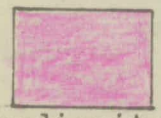



Vein System


Ophir Stock Porphyritic rocks

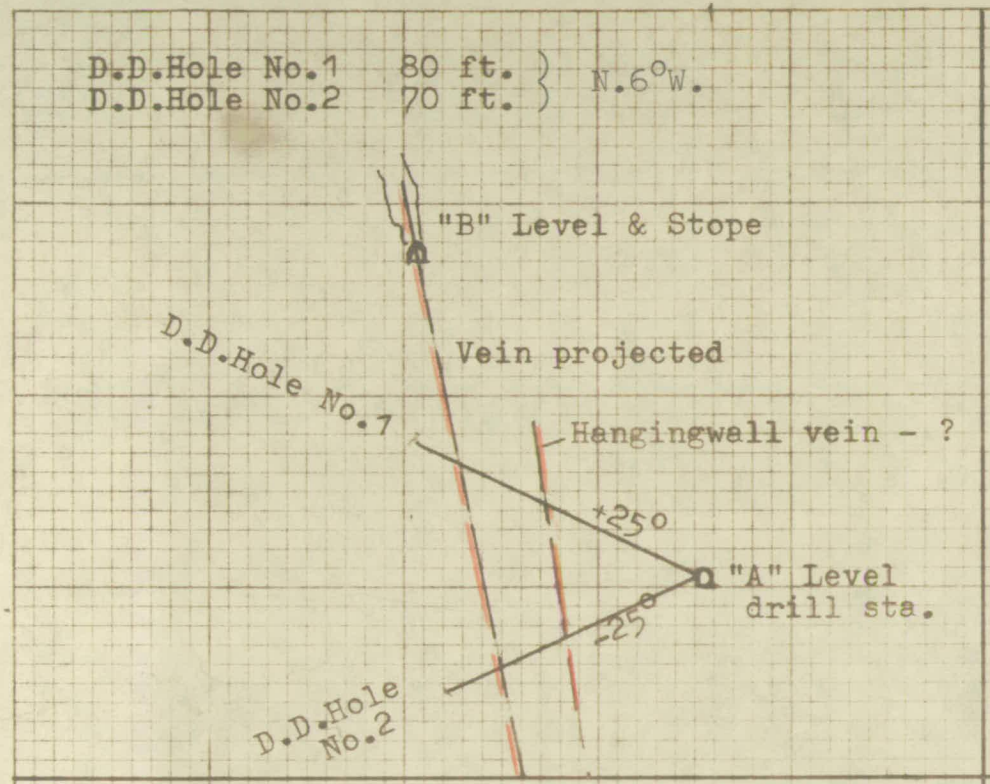

Mancos Shale

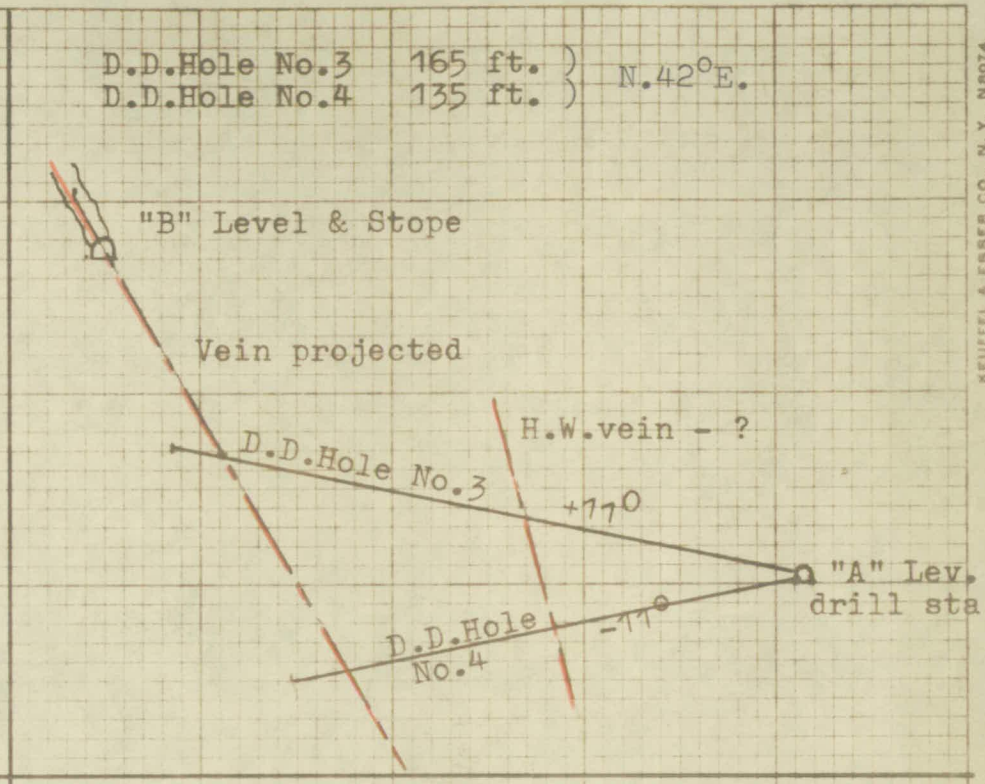

Glacial Drift

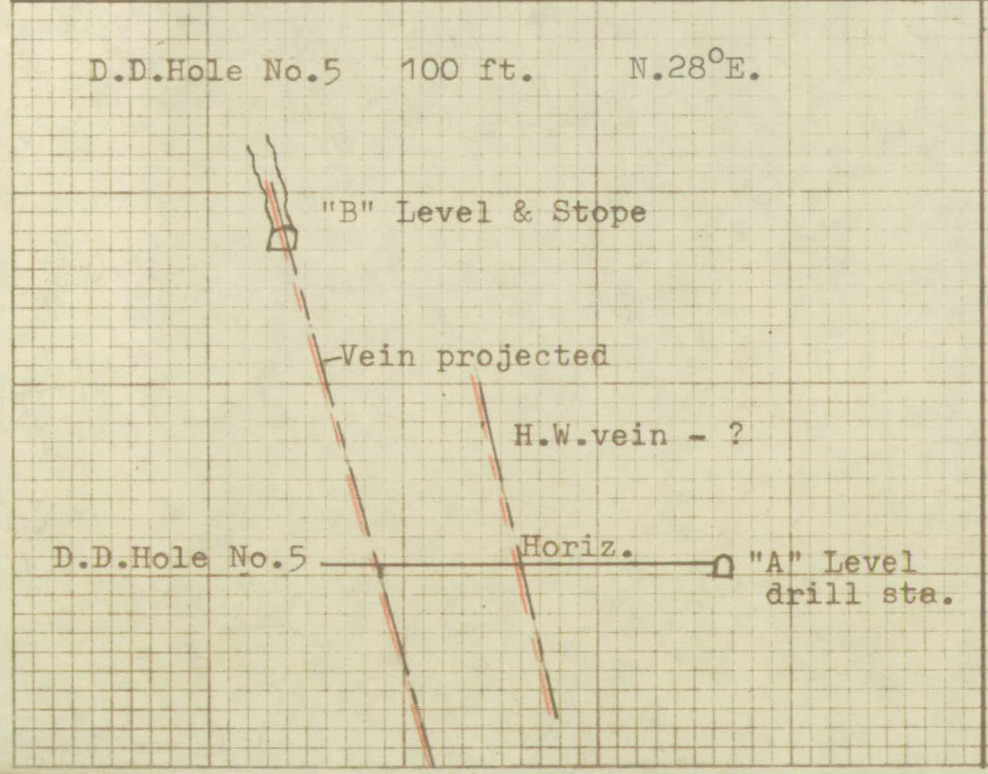

Granodiorite Porphyry

Landslide Deposit

SAN JUAN MINE







Sections thru proposed Diamond Drill holes No's 1-2-3-4-5, all drilled from same drill station at east breast of "A" Level South drift. (See Map A).

Scale: 1" = 50'

Charles H. Turner
Box 3224 HiMar Sta.
Boulder, Colo. 80303

KEUFFEL & ESSER CO., N.Y. N8074
10 X 10 to the inch.

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
DOCKET 6885

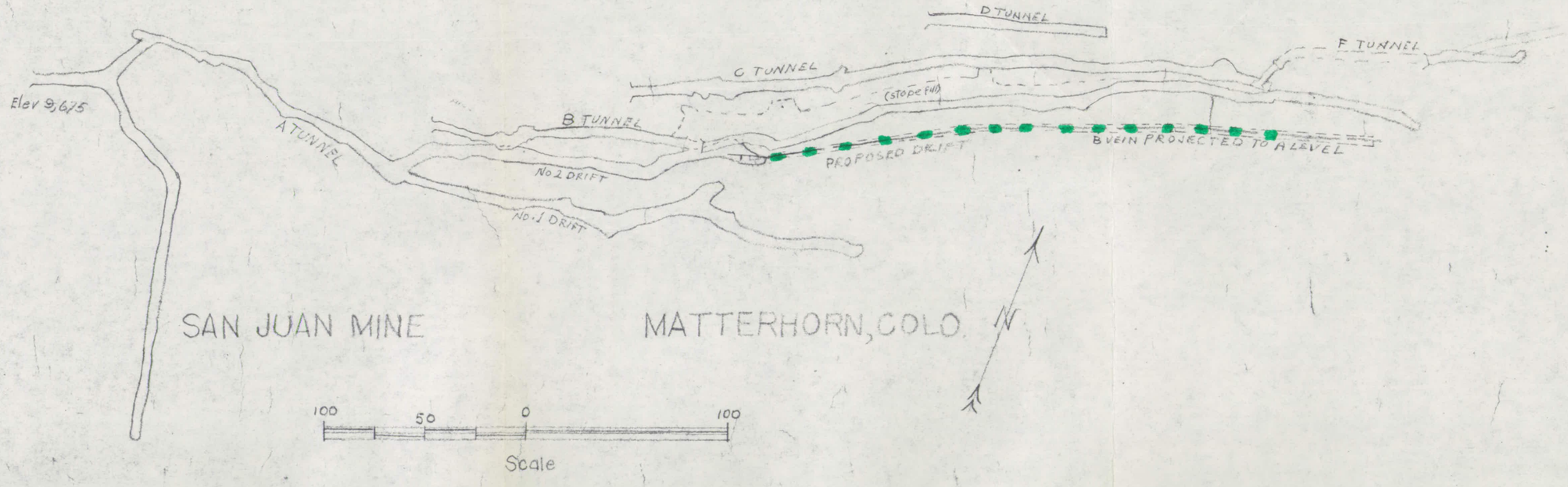


FIGURE 2

CHARLES H TURNER
BOX 3224 HIMAR STA
BOULDER CO 80303

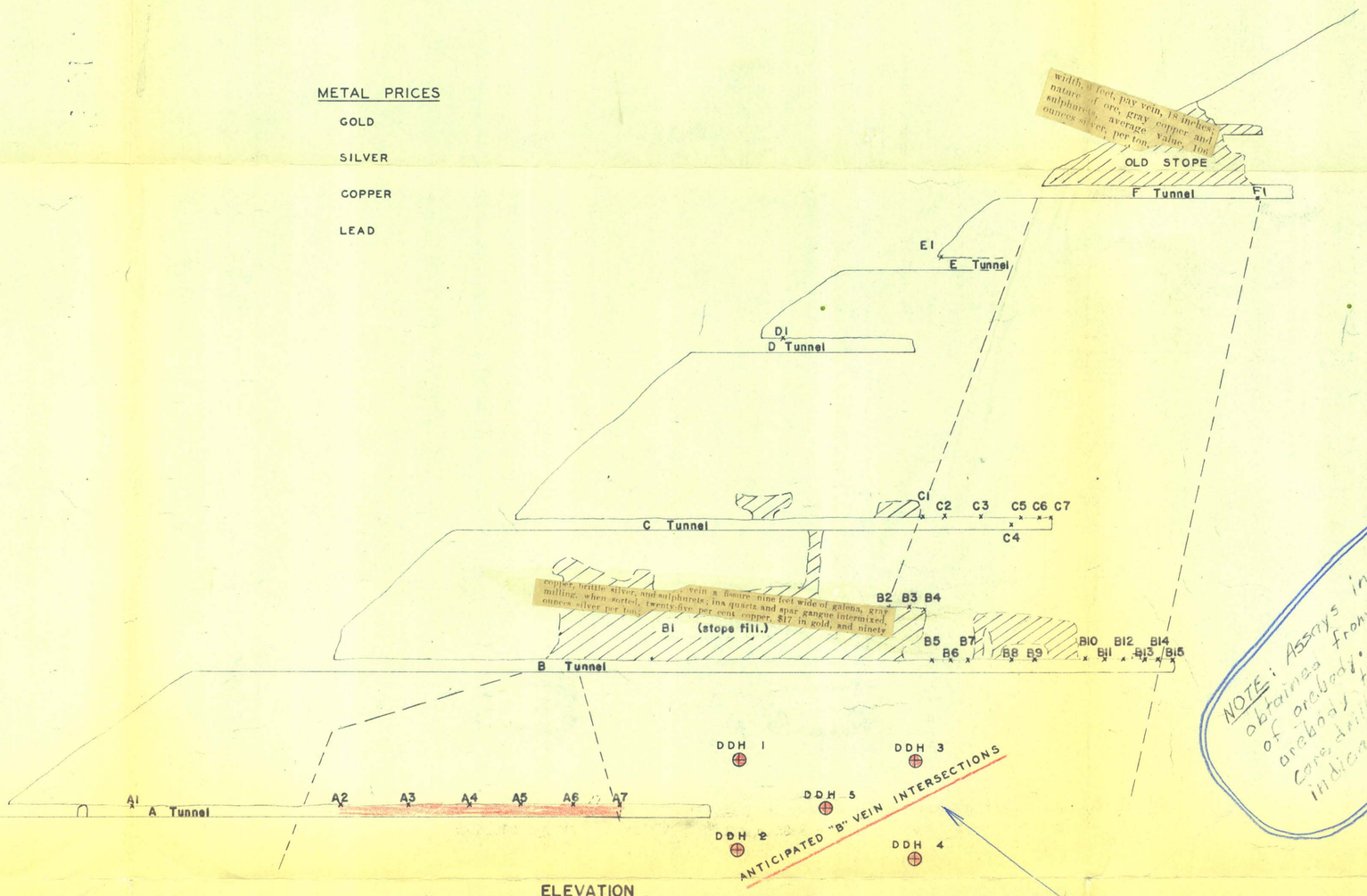
METAL PRICES

GOLD

SILVER

COPPER

LEAD



ELEVATION

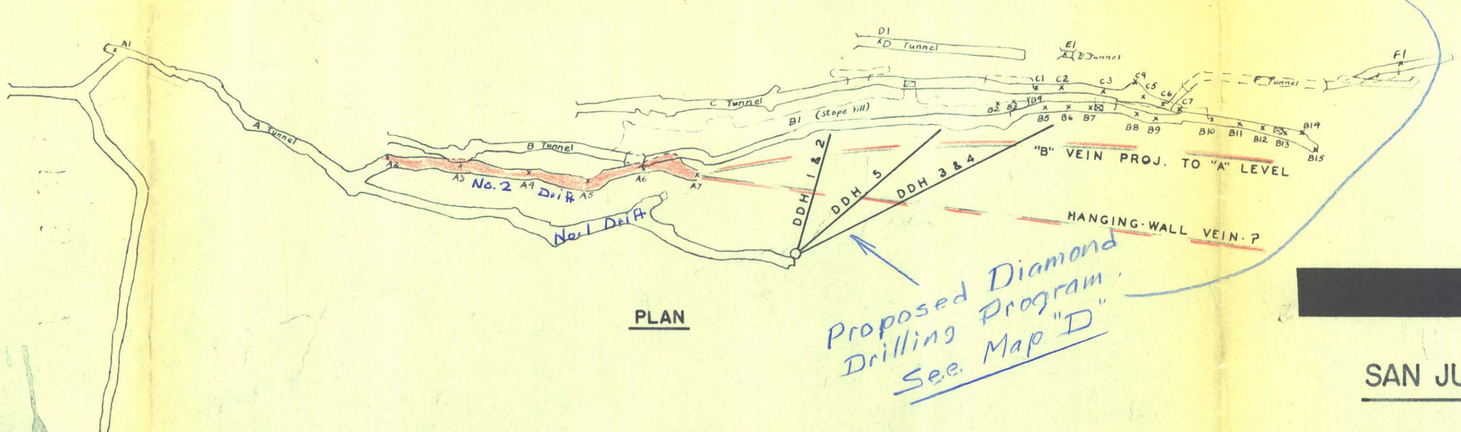
NOTE: Assays in box were obtained from fringes only of orebody. Sampling as done by core drilling is indicated

ASSAYS

Sample No.	Au (oz./ton)	Ag (oz./ton)	Cu %	Pb %	Width	
A1	0.01	3.60	1.00	2.40	1.0'	
A2	0.26	26.24	1.31	5.88	2.2'	
A3	0.06	1.94	1.17	0.24	3.0'	
A4	0.01	0.16	0.22	0.15	2.0'	2.14'
A5	0.01	0.10	0.10	0.06	3.3'	
A6	0.01	0.74	1.01	0.15	2.0'	
A7	0.02	13.22	1.43	0.57	1.5'	
AVG.	0.05 OZ.	6.57 OZ.	0.89 %	1.35 %		
B1	0.04	2.60	0.45	STOPE FILL	—	
B2	0.14	12.56	1.85		1.2'	
B3	0.13	6.86	2.80		0.8'	
B4	0.14	12.50	1.65	LEAD NOTED	1.3'	
B5	0.06	4.10	1.68	IN SAMPLES	1.0'	
B6	0.02	42.26	2.84	BUT NOT RUN	0.7'	
B7	0.08	8.25	2.48		1.5'	
B8	0.10	10.22	0.92		0.5'	1.0'
B9	0.10	3.16	1.36		1.0'	
B10	0.08	8.66	2.48		0.8'	
B11	0.12	12.20	2.60		0.3'	
B12	0.04	7.66	0.68		1.0'	
B13	0.59	22.94	1.19		1.0'	
B14	0.15	9.64	0.82		0.6'	
B15	0.01	0.10	0.03		0.5'	
AVG.	0.13	12.38	1.79			
C1	0.04	9.20	1.40	LEAD NOTED	1.0'	
C2	tr.	11.48	1.70		1.8'	
C3	0.13	6.64	1.00	IN SAMPLES	1.2'	1.10'
C4	0.08	18.42	1.76		0.5'	
C5	0.03	2.82	0.64		1.0	
C6	0.02	0.38	0.08		0.4'	
C7	0.02	0.12	0.05		0.6'	
AVG.	0.06	11.43	1.46			
D1	0.04	4.20	0.60		1.0'	
E1	0.12	5.32			2.5'	
F1	0.02	52.42	3.80		0.5'	

100 50 0 100 200 feet

Scale



PLAN

Proposed Diamond Drilling Program See Map "D"

[redacted]

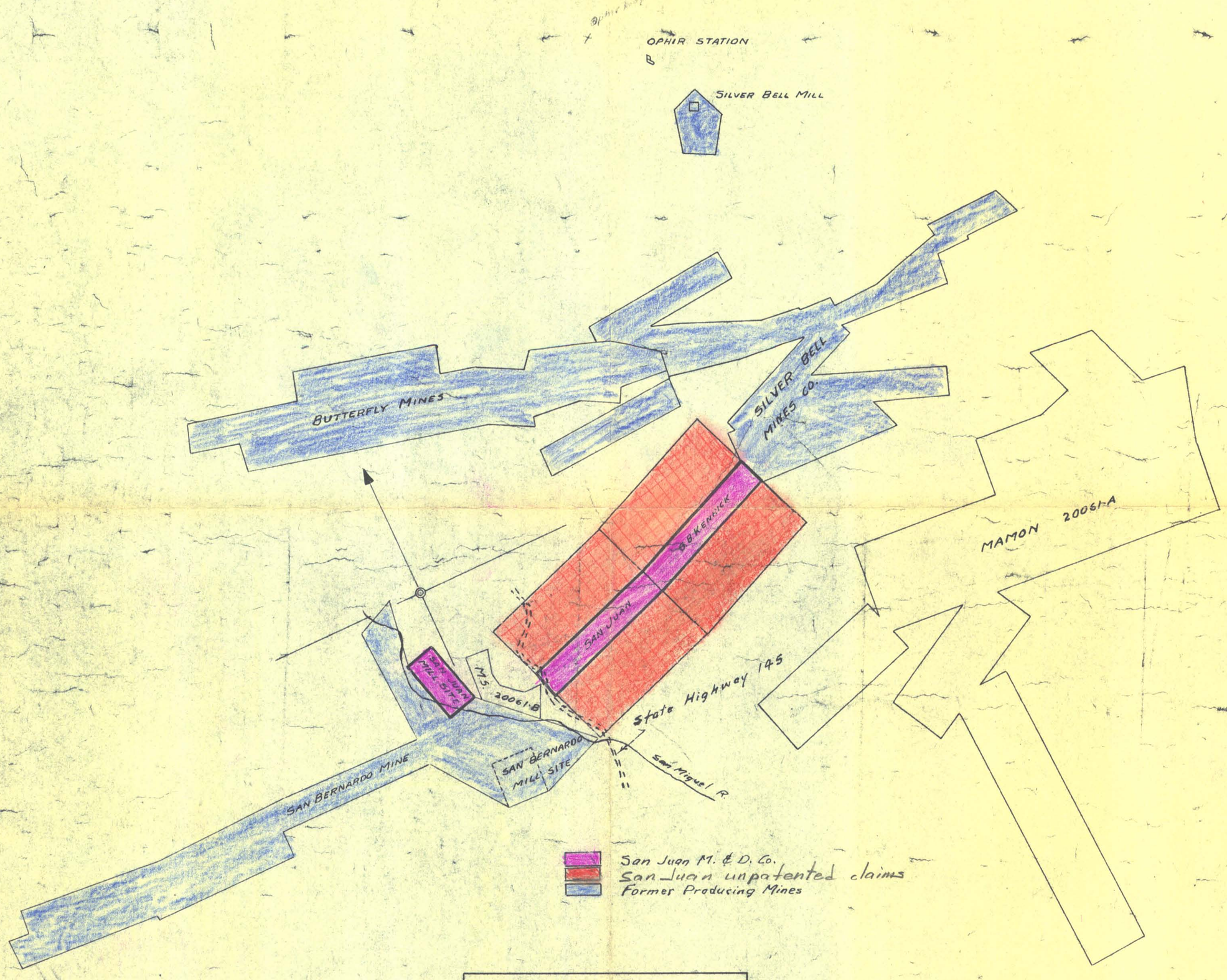
SAN JUAN MINE MATTERHORN, COLO.

Date — 26 Feb, 1957

A

MAP SJ - 110

CHARLES H TURNER
BOX 3224 HIMAR STA
BOULDER CO 80303



S. B. KENRICK & SAN JUAN
— PLAN —
SHOWING RELATIVE POSITIONS OF
NEIGHBOURING MINES
1" = 800' JULY 21-47
FILE SJ-101 C.H.T.

B